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Air Force Crisis: Corruption Charges Imperil General Crespo's Term

33480130a Buenos Aires *LA PRENSA* in Spanish
13 Apr 88 p 9, 14 Apr pp 1, 6; 10 May 88 p 9

[Articles by Carlos Manuel Acuna]

[13 Apr 88 p 9]

What Is Happening in the Air Force?

[Text] For several months now tensions and perceptible unrest have been building in the Air Force, as the leadership of the current chief of staff is being questioned.

At the outset, more than 2 years back, they were just rumors, reports that a crisis had been born some time before and was growing by the month at first, and then by the week. In the meantime, the rumors became more detailed and, thus, turned from serious to extremely serious. Discharges, forced retirements and minor scandals that were silenced as they grew and, therefore, whose consequences were kept in check helped to create an atmosphere that the commander of the Air Force, Brigadier Major Ernesto Horacio Crespo, did not openly address. Later and more recently, however, they have prompted him to deliver extensive reports over government television and to make increasingly lengthy statements to the media.

In these statements Crespo downplayed what could be called charges or accusations. At no time did the Executive Branch, through the Defense Ministry, become involved in the matter, except to lend what could readily be interpreted as solid support for the chief of staff. During the Holy Week when "operation dignity" was undertaken, the chief of staff was one of the witnesses to the accord between President Alfonsin and Lt Col Aldo Rico and during this summer's events he did not hesitate to voice his support for the president of the republic. Nonetheless, after it was reported that the rebels in Monte Caseros were going to be bombed, it was clarified, oddly enough, that the decision in question would be left up to the judgment of the pilots. Obviously, no aircraft took off to drop any bombs, a detail that underscored the certainty that discipline in the Air Force had deteriorated strikingly. Furthermore, before and after January, reports emerged concerning the definite possibility that "the 'operation dignity' that the Air Force requires" could take place any day and time now, its hub being the Condor Building, the headquarters of the chief of staff.

According to inquiries in the most diverse Air Force circles, this possibility is becoming more and more likely. Meanwhile, the leftwing and even leftwing extremist press that supports the administration ideologically has begun to feature and even virtually praise Crespo. All of this indicates how serious this crisis has become, a crisis which, in passing, cannot be divorced from the general crisis that is spreading over Argentine

society. Moreover, and as an additional piece of information in attempting to assess the crisis, we should recall the statements not so long ago by the Air Force chief of staff, who asserted that as long as he held the post there would be no attempt at a coup d'état, at least not a successful one, because the brigadier would prevent it.

The assertion sounded strange for several reasons. For example, no coup attempt was even remotely in sight. Also, Crespo's announcement reminded the keenest observers that the people who occupied the facilities of the metropolitan aircraft yard this summer intended to kill him and, supposedly, the chairman of the Joint Chiefs of Staff, Brigadier Teodoro Waldner, and the president of the republic himself. Alfonsin accepted the report as accurate and publicized it from the rooftops. Almost immediately, however, investigators and the public realized that the news was completely groundless. Nevertheless, Crespo and the Casa Rosada harped on it, although when the matter came before the courts, Alfonsin had to acknowledge that he lacked even elementary evidence to back such a grave claim.

This ticklish situation has now been compounded by the statements, charges and accusations that Vice Commodore Juan Carlos Puy made to the National Prosecutor's Office of Administrative Investigations on 23 February after he was arrested (he is currently in Magdalena) for having taken part in the takeover of the Jorge Newberry aircraft yard and placed in the custody of the First Federal National Criminal and Correctional Court of First Instance in the federal capital.

Mysterious Tunnels at Ezeiza

Today we are revealing what he said. The official text begins by noting that before the interrogation by District Attorney Molinas, Puy indicated that he was going to "refer to eyewitness evidence (and I am available at this time for any subsequent confrontation of witnesses that is deemed necessary) that will demonstrate the extent of corruption in the Air Force, at least in the circles in which I have operated over the past 2 or 3 years as head of the technical department of the General Directorate of Communications (Command of Air Regions), as head of the technical department of the Central Air Region and as director of coordination and planning of the General Directorate of Maintenance (Materiel Command)."

Puy told District Attorney Molinas that when he presented himself "in 1987 to take charge of the Technical Department" along with Commodore Bosovich, the chief of the Central Air Region, the commodore, he and other officers (including Vice Commodore Miguel Sanchez and Major Menendez) went on a tour. The commodore "showed us the various tunnels at Ezeiza Airport, alluding to trap doors and VIP exits through which, he asserted, smuggling or passing of equipment would be undertaken." As for the trap doors, Puy continued, "at one point we saw from one of the tunnels a metallic

surface about 8 by 3 meters, which in turn had a door about 1.5 meters by 70 centimeters. We then moved on to the outside part on the operational platform, where we saw that the door was near the outside conveyor belt (outside the building, that is), which is in front of customs." Puy clarified that "the tunnels were put in during construction of the airport itself, which I cannot say is true about the doors."

Further on Puy told the district attorney that Commodore Bosovich had made references to "shady deals" by third parties, and mentioned witnesses to everything that had been said, including Maj Gonzalez Osterode.

Video Systems

Later, on page 3 of his statement to Molinas, Puy indicated that "in the wake of my transfer from the Central Air Region to Rio Cuarto in June 1987, I told the former director general of communications, Commodore Saavedra, that I was forced to make it because I had systematically opposed irregularities, among which I mentioned the installation of a video system at Ezeiza Airport, for which all steps were being taken to award the contract to two persons from the airport. The system was thus going to cost some 20 times than a bid that a company headed by Mr Vizcaino Casas had submitted."

He also voiced opposition to "the receipt of a telephone exchange for ATC (the purpose of which is to establish links with neighboring countries for information on flight plans)" and to "the receipt of a microwave link between the transmitter and the fourth floor of Ezeiza Airport. Both systems had been certified as installed, without incident, by an inspector from the Materiel Command. Nonetheless, the undersigned learned, when 1st Lieutenant Salvatti conducted an inspection, that the systems had not been installed. In light of all that I had said, Commodore Saavedra told me that he wanted to ask for retirement because he could not see 'the phantoms, inasmuch as they are going over my head on some decisions.' Such statements were also made separately to Captain Sanchez of the Communications Directorate."

Thirdly, Puy explained that in 1986 he told the former chief of staff of air regions, Brigadier Lafarga, that "he did not clearly see" the need to repair the Thompson radar used for air traffic control and that "as head of the technical department I would sign nothing concerning the radar. He (Lafarga) told me that he had doubts about whether Brigadier Etchegoyen was involved in the profits from the repair work. It bears emphasizing." Puy continued, "that the order was based on a request that Brigadier Etchegoyen had submitted 2 or 3 years before and that the consultations that the undersigned (Puy) engaged in with Captain Giri and the major, the head of the Technical Department of the Central Air Region, whose name I do not recall, indicated that the repairs were not appropriate." Nonetheless, the repairs were done and "cost \$1.8 million dollars. When I received the order to change the transmitters on the radar, I told

Brigadier Lafarga that the user ought to be consulted, which was done by messenger, indicating that the replacement was not necessary and thus saving \$150,000 dollars." At the close of this part of his statement, Puy clarified to District Attorney Molinas that the "user is the head of the technical department of the Central Regions."

Well. This brings us to the end of today's installment, in which we have summarized the first part of the accusations made by Vice Commodore Puy to the National Prosecutor's Office of Investigations. We will continue tomorrow.

[14 Apr 88 pp 1, 6]

Air Force Personnel and the National Prosecutor's Office of Investigations

Yesterday we published a summary of the first part of the accusations that Vice Commodore Juan Carlos Puy, who is still on active duty and is under arrest today at Magdalena military prison, made to the National Prosecutor's Office of Investigations. As we know, Puy was involved in the incidents that took place at the metropolitan aircraft yard last January, and from the beginning both he and other officers involved in the episode have underscored that one of their main concerns was the need to halt and investigate the irregularities that they say exist in the branch to which they belong and of whose leadership they are severely critical.

"I Can't Talk"

In point 4 of his statement to District Attorney Molinas, Puy emphasized that he had come before the former chief of staff of Materiel Command, Brigadier Videla, in June 1987, "when I had to effect my transfer from the Central Air Region to the Rio Cuarto Materiel Area. I told him that I was being transferred because I had been opposed to irregularities such as the ones mentioned in the conversation with Commodore Saavedra, inasmuch as he had been told over the phone of the fraudulent receipt of the ATC telephone exchange and the aforementioned microwave hookup. In response he told me that 'I can't talk.'"

Puy then went on to relate a conversation between the former fourth chief of staff, Commodore Andelique, and the former second chief of staff, Brigadier Major Rodoni. Andelique asked Rodoni why he had not been promoted to brigadier. Rodoni's reply was that "the problem is that you don't fit in." "What do you mean?" Andelique then asked. "That I'm too honest to be a brigadier?" The answer: "That's right. You don't fit in." Later, Puy continued, Brigadier Rodoni acknowledged that there are a great many irregularities in the Air Force, that he is not involved, that he can do nothing for the time being but that he was willing to do some house-cleaning in the future.

Regarding his transfer to Rio Cuarto, Vice Commodore Puy added further background information. According to his account, the former chief of the Communications Squadron in San Miguel, Capt Eduardo Antonio, "informed me that he had received an invitation from Mr Detlevsen, from the INTERTEL company, to join the 'club,' because otherwise what happened to Vice Commodore Puy, who was transferred to Rio Cuarto because he didn't share in the commissions, was going to happen to him."

The Case of the C-430 Plane

Another major charge that Puy made on 23 February to the National Prosecutor's Office of Investigations has to do with the repairs made on the Mirage C-430 at the Rio Cuarto Materiel Area. In this connection Puy indicated that when he reported to that post in June 1987 to the head of the area, Commodore Casalotti, the latter expressed his "concern" to him because the repairs had to be made "and he did not have written orders, and the command was being kept in the dark" because "when he sent a message asking for funds for the repairs, he was not given an answer, and then the credits were appropriated to him without mention of the previous message and/or the registration of the aircraft."

"Vice Commodore Davila," Puy noted in his statement, "the former chief of economics in the Rio Cuarto Materiel Area, was responsible for drafting the lists of conditions to justify outlays of \$1 million. It bears noting that Brigadier Crespo had set this amount. Vice Commodore Davila had in his possession a study that he himself had done and that had been shown to the area chief; it indicated that the work could be done for 20 to 30 percent of the \$1 million dollars. In addition, he pushed for a meeting, which was attended not only by the undersigned but also by Maj Eduardo Reyes and three officers whose names I do not recall, to analyze what could be done to prevent an irregularity like the one being committed. On that occasion the vice commodore stated that he had just come from Buenos Aires, where he had "a meeting with Brigadier Segurado, who asked him what was going on, whether someone on the Contract Award Commission was refusing to sign as agreed." To which he replied: "You better say it now, because I'm going to replace him and have him transferred to Rio Gallegos."

Puy then told District Attorney Molinas that Mr Giri, a high-level civilian in the Planning Department of the Rio Cuarto Materiel Area, told him in October or November of the same year that he knew of the C-430 matter, which "would cause serious problems because the personnel involved" in this "were collecting extras that others were not collecting for similar work."

Puy added that "the company that did the work is ARMACUAR, whose visible front man is superior staff member Ruiz, from the Rio Cuarto Materiel Area."

The Mirage I-114

As for the aircraft with this registration number, belonging to the Mariano Moreno 8th Air Brigade, Puy attached "a simple photocopy of a contract-award document for the repair of the plane. Given the poor legibility of the document submitted, the following bears noting," page six of Puy's statement to the district attorney's office adds: "1. Via message No 5,755 schedule group (GHO) 291,405 (June 87), a credit of 11,000 australes was appropriated for inspections 'P and V' of the 'Mirage' weapons system of the 8th Air Brigade; 2. By virtue of resolution No 27,487 the chief of the 8th Air Brigade ordered the aforementioned inspections conducted; 3. Four firms were asked to submit bids; 4. The work was performed with unit personnel (8th Brigade), and 45 percent of it was completed, in spite of which the amount was set at 11,000 australes; 5. Private competitive bidding No 37/87 was conducted, the winner being the Talleres DFV firm; 6. Signing as chairman of the Manufactures Commission, Vice Commodore Puy, and as advisory secretary, Capt Carlos Eduardo Conti, and commission members Maj Amilcar Cimatti, Maj Emilio Juan Martin, Lt Rodolfo Almeira and Ensign Jorge Scala."

Vice Commodore Puy straightforwardly "concludes 'prima facie' that the award has violated provisions of the hiring law. This sort of contract (that is to say, with companies that employ active-duty personnel, whether civilian or military, and use [the military's] tools, instruments, work places, technical capabilities, etc) violates the Civilian Personnel Statute and the law for military personnel, which clearly provide that they cannot belong to or work for companies that furnish goods and/or services to the Air Force." To the "knowledge of the undersigned, this procedure has been used in the 6th Air Brigade and the Quilmes Regional Shop, besides in the Rio Cuarto Materiel Area and the 8th Brigade." Puy noted that "I wanted to state expressly that the alleged irregularity involving the C-430 had been communicated personally to Brigadier Major Crespo and that as a result the undersigned was imprisoned for 15 days." According to Puy, this development, "combined with the testimony in the first part of this statement," created a situation that the undersigned could find no way to halt or clear up, in spite of existing legal procedures. Under these circumstances he has submitted the originals of the sanction that was imposed on him because of the presentation that he made to Brigadier Major Crespo. The attorney general ordered photocopies of the original documents made and, after they were certified by the court clerk and signed by the submitter, they were returned. The attorney general then notified him that notwithstanding his previous testimony, he was being given 5 working days to make the clarifications, orally or in writing, that he deems pertinent regarding the facts described or any circumstance that he may have involuntarily omitted."

The close of the document notes that "the undersigned feels that it is unlikely that he will provide further

background information and/or evidence, inasmuch as he is in strict preventive custody, in special solitary confinement, and can see only his wife and children."

Is There Or Is There Not Corruption?

Given Brigadier Crespo's lofty post and the finest traditions of the military, one would expect an immediate reaction to these serious charges, which by the way are not the only ones circulating in quarters linked to the problem. For some time now the various news media have regularly reported on potential corruption at the highest echelon of the Air Force. In any event, such corruption is also part of the general climate surrounding the government, in which accusations are flying from all sides, crossing, crisscrossing and helping to accentuate a sort of general despondency that is paralyzing the citizenry at large.

The point, however, is not just to offer this diagnosis, which ties in with the repeated commentaries about the decay of contemporary politics and has to do with the decadence that is eating away at Argentina. It is indispensable and urgently necessary to counter all of these charges, all of these accusations and, why not say it, all of these stains, which sully not just the laps but the very collective soul of society. Furthermore, when the corruption that is reported and not convincingly explained occurs within the military, it carries an additional and even more deplorable negative charge, if that is possible, because it is used dialectically as a weapon by those who for years now have been attacking Argentina's finest traditions.

Questions

Might everything that is being said be true? Was the scandal of the money counter that operated in the Condor Building cleared up or never investigated? What coup d'etat or presumed coup d'etat was Brigadier Crespo talking about a few days ago? Will the corresponding categorical denials be forthcoming? Will the individuals mentioned or accused by Vice Commodore Puy, whose names have appeared in an official document since 23 February, talk? Will this officer's attitude be interpreted from the perspective of the request that President Alfonsin made during Monsignor Media's homily at Stella Maris Chapel last year? What will the National Prosecutor's Office of Investigations do henceforth? What will happen with the similar charges made by a major civilian employee of the Air Force, Mr Oscar Hugo Calzada, a member of the Air Force intelligence services? What will the unrest in the units lead to? Will this be the "coup d'etat" that Brigadier Crespo was talking about? Will he request retirement or will he make a case that it is all a bunch of lies? Will anyone call for tribunals of honor?

[10 May 88 p 9]

The Situation in the Argentine Air Force

On the basis of what we are going to relate henceforth and from what we know about the tensions in the Armed Forces and their relations with the government, all indications seem to be that for now the focus of the crisis is the Argentine Air Force, which has begun to undergo a sort of prelude to a peculiar kind of "Operation Dignity" that will, among other things, put an end to the mandate of the current chief of staff, Brigadier Crespo. As we announced a few weeks ago, the departure of this embattled officer, who is so absolutely identified with the administration, will come sooner than expected and perhaps this month, except if for very special reasons his presence is required for a brief additional period. Might this be linked to an attempt to acquire Soviet-made weaponry, in line with the foreign policy that the administration is pursuing? Maybe, but in that case the crisis would have a much graver denouement than anyone could imagine, inasmuch as the instability and political failure of the Alfonsin administration could spread to a much more serious area. In this regard, and before we fully address the central issue of today's commentary (which is not at all unrelated to the potential "Operation Dignity" that is in the works in the Argentine Federal Police), we must add, in seeking a broader overview of what is happening and could happen, that Foreign Relations Minister Dante Caputo is also playing a role in this troubled scenario. His role has to do directly with his efforts to place Argentina in a position from which to an ever greater extent it will go along strategically with the interests of the communist world.

The defenders of the Caputo doctrine can, of course, put forth defensive arguments and insist that this is a biased interpretation. The fact is, however, that these arguments were never tested until now, and if they existed, they would be as worthless as the laughter prompted by our foreign minister's statements is loud and sustained. I am talking above all about his attempts to make our people believe, though today they are convinced otherwise, that "Great Britain has been isolated" by the extraordinarily skillful and brilliant efforts of our own Mr Caputo, efforts that, in passing, have prompted so much gratitude from Dr Fidel Castro.

This introduction is necessary to a discussion of what is happening in the military and especially in the Argentine Air Force because the problem has intricate offshoots and complexities extending throughout Argentina's institutional panorama and because its unchanging constant, which has determined appointments, attitudes and projects, is the ideological issue, which at this juncture has laid bare the local Gramscianism in all its starkness. Must we repeat that the persistent policy of "educational change" and shedding national culture is an eloquent example of the magnitude of this issue?

Alfonsin's Offer

Inasmuch as this has long since ceased to be news to our readers, we will not elaborate further on it today. To have a better grasp of the issue, however, we will point out that we ought to keep fresh in our minds the communique from Commodore Luis Fernando Estrella that we published last Friday and the behind-the-scenes developments in the Air Force that our colleague Daniel Lupa reported on that same day, especially in connection with the strong influence that the Peronist Left presumably has on key appointments in that branch.

Now that we have taken note of this topic once more, we will again discuss, and only now, how much time Crespo has left in active duty and as chief of staff before moves prompted by the severe and growing criticism of his leadership are successful. President Alfonsin can no longer keep the brigadier on board. Therefore, before the end of last week, as he was removing some warm-up suits from his bags after his trip to Communist China was cut short (we could describe it as a tourist trip because if it had been politically important, it would not have been cut short by 10 days), the leader from Chascomus reportedly offered the post of Air Force chief of staff to Brigadier Correa as Crespo's first-in-line successor. Alfonsin attached this string to his proposal, which he made with some quite odd comments, of course: the new appointee would "avoid any sort of purge and, above all, any sort of scandal." The direct reference to the atmosphere in the Air Force and to the spirit of dignity motivating the overwhelming majority of its personnel received the following comment, more or less, as a reply: "If I take over, I have to sweep away corruption and not be subject to any restrictions."

The "Ranquel" and "Fortaleza" Plans

The tone of this reply speaks for itself. To it, however, we should add another important incident that began last Friday at 0900 hours. Correa appeared before the Supreme Council of the Armed Forces at the request of the defense attorneys of Commodore Estrella, retired, and Vice Commodore Puy, in particular to report on the scope of the plans known by the code names "Ranquel" and "Fortaleza I and II." These were plans for specific operations against the Army and Navy, a development that has its obvious military implications, its obvious political implications and, why not, its obvious institutional implications.

The outcome of their conversation is, for the moment, not known, although it bears noting that there is more than enough corroborating evidence of these plans to offer an interesting technical and professional assessment.

But while we wait for the events linked to this matter to unfold, we ought to ask ourselves why Brigadier Crespo wanted to implement a sort of domestic and almost

personal conflict hypothesis that in a way recalls his recent public statements about the stability of the government and the leading role that, in his judgment, he plays.

Was it Dr Alfonsin who ordered him to plan Operations "Ranquel" and "Fortaleza" regardless of and even in violation of the provisions of the new defense law?

What explanations would the chairmen of the Defense Committees of the Senate and Chamber of Deputies, Messrs "Pacheco" Berhongaray and Balbino Zubiri respectively, give? Could they save the commander in chief of the Armed Forces, that is to say, the leader from Chascomus, from a potential congressional summons that would compound the economic disaster?

But let us leave aside these matters, which have to do with the normal workings of constitutional, republican institutions, where oversights can be given another name, and let us move now to the meeting that we had a few hours ago in an Air Force office with a group of chiefs and officers of the branch.

Minister Jaunarena's "Inaccuracies"

In accordance with the methodology followed at the meeting, we will be brief, so as to better describe how it unfolded. Beforehand, though, let us note that the military personnel in attendance stressed that the public must emphatically be told of "the ironlike unity among the armed services; for this reason these plans ('Ranquel' and 'Fortaleza') must be denounced so as to prevent useless confrontations designed to achieve well-known political and ideological objectives, inasmuch as a military confrontation would only succeed in hastening the dissolution of the Armed Forces, the main goal of Marxism and its forerunner, Social Democracy. Therefore, it is useless to try and exploit rivalries of this sort between branches, which are to be expected in any human organization and are traditional in any military in any country of the world."

This having been said, the conversation headed straight into an analysis of the assertions that Defense Minister Horacio Jaunarena made during his appearance before Congress on 17 February after the events centered in Monte Caseros, "where it is true that Lieutenant Colonel Venturino, who is currently imprisoned in Magdalena and is still on active duty, was not present, just as Col Ricardo Garcia del Hoyo, his attorney, said."

Speaking on behalf of the other officers, the senior officer then said that a reading of the congressional record reveals "other inaccurate statements that the defense minister made: 1) It is not true that our country has conflict hypotheses; 2) It is not true that the materiel of the Armed Forces 'means that Argentines can rest assured that they are protected within their borders against potential foreign aggression' (page 4,850); 3) The minister stated that late on the night of 17 January,

during a meeting at the Defense Ministry with the chiefs of staff, 'Air Force and Navy personnel were ordered to prepare to conduct operations in support of the Army.'

"Didn't Dr Jaunarena know that Air Force planes had flown in intimidating formation that morning over Army units in Monte Caseros?

"Didn't he know that in the afternoon Brigadier Crespo had ordered half of his personnel and materiel made ready for this purpose?

"Who is telling the truth, the minister or Commodore Estrella?

"Or perhaps Brigadier Crespo operated behind the back of his superiors, that is to say, the president of the nation and his defense minister? 4) The letter seized from Vice Commodore Puy, signed by Commodore Estrella and dated 2 July 1987, states that 'if they were able to, they would take violent action to achieve their objectives.'

The Crimes

"In this regard, the minister did not say during his appearance that elsewhere the letter clarified that those objectives were a 'moralization plan,' given the crimes that were becoming manifest in the Air Force, as Vice Commodore Puy later charged. Why didn't Vice Commodore Puy report them to the National Prosecutor's Office of Investigations or to whatever the proper body was, in July 1987, instead of just now? Aren't the issue and the accuser one and the same?

"Didn't Puy speak out on the matter in July 1987 in the presence of the materiel commander, Brigadier Corradetti, and his personal legal adviser, Commodore Meari? 5) Dr Jaunarena spoke of the plan to take over the Condor Building, the headquarters of the Air Force Chief of Staff...Where is the plan? Where are the concussion bombs that he mentioned (page 4,854; 6) The defense minister spoke of the surrender of Vice Commodore Linch at the aircraft yard, but Linch never left Moron that day; 7) What Minister Jaunarena says (page 4,876) about the 'aerial reconnaissance in the operations zones as of dawn on 18 January 1988' is false. The operation began with intimidatory flyovers, as has already been said, on 17 January 1988. Moreover, aerial reconnaissance is never conducted by aircraft in formation, nor at low altitude, nor with armed aircraft as seen on the newscast on Channel 7 of official state television (ATC) the day before; 8) With regard to what page 4,876 of the congressional record has the minister saying, it would be interesting to learn what happened in connection with other personnel replacements in other brigades and what relationship they had to the events at the aircraft yard. Wasn't and isn't this matter the beginning of the 'clearing out' of personnel who are neither supporters 'nor secure,' the temporary first culmination of which is the replacement of commanders Andreassen, Segurado and Carbo Bernard? 9) The remarks noted in

Annexes II and III (pages 5,127 and 5,128) are false, as the defense minister speaks of meetings at Commodore Estrella's home. How can he demonstrate this? How does he know? What sort of meetings? 10) The assertion on page 4,856 is untrue: 'According to the plans, Vice Commodore Puy, whose nickname is 'Pucho,' would be in charge of the takeover of communications headquarters.' The vice commodore has no such nickname, nor does he have any other; thus the appendix on page 5,129 is fanciful. We must likewise underscore the moniker 'Lalo' that has been jokingly given to Vice Commodore Lavella (page 5,129); 11) The religious medals, images, bracelets, rosaries, etc that were used as evidence deserve separate mention, inasmuch as they are religious items and were used in the 1986 ceremonies during the procession of the Most Holy Virgin. How can they possibly be accepted as evidence in a trial? Are we to accept the potential pretext that they were found in the trunk of Vice Commodore Puy's car? What sort of evidence can they constitute? Is it a crime to possess them in safekeeping? Is it a crime to practice Catholicism? 12) Page 5,140 of the congressional record reproduces 12 times a stamp that reads 'God wills it' and that is one of the aforementioned religious articles. Was Commodore Puy involved in a revolution of rubber stamps? Can't such a reproduction be interpreted as just another of the many attempts to manipulate public opinion, conditioning it in accordance with certain very specific objectives?"

Final Conclusions

As could only be expected, the conversation also took off in other directions. However, in keeping with what was agreed upon at the meeting, for now we will refer to a final reflection that came to light from several questions and answers. Someone indicated that "the events of January prevented a successful overt attack on sectors of the Army and the spread of a conflict whose consequences we can say today would not be unforeseeable. Plainly and simply, it could have marked the beginning of a civil war, the prelude to which appears to be the work of certain black hands that manipulate and control everything. But just as no one is fooled now by the propaganda of the publicity agency that is behind the government's acts and the preparation of future maneuvers, no one in the Armed Forces is being roped in by ambiguities. We can even assert that the corruption can make no further headway. Lies are always revealed and do not get very far, otherwise...why did the courts just release Mr Miguel Famularo, who until a few hours ago was regarded as a sort of ultra-terrorist? So then...with what other discovery will they attempt to astonish the citizenry henceforth?

What other alleged rightwing cell will be "broken up" while the Left organizes and takes to the streets?

Columnist Acuna Notes Attitudes Among Army NCO's

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15 Apr 88 p 11

[Article by Carlos Manuel Acuna: "What Sovietization?"]

[Text] The title that we have chosen for today's article should not be associated (though it would be legitimate to do so) with the growing presence and influence of the Soviet Union in our country through the awarding of contracts for significant projects, the construction of entire neighborhoods for Russian technicians and specialists near Argentine military installations, expanded benefits under the fishing concessions that cover their Bulgarian satellites as well, or Caputo's diplomatic intrigues. Nor does the Sovietization that concerns us have to do with the multidisciplinary agreements that our Foreign Ministry has signed with the Cuban Government, or with the enthusiastic favors and embraces that the administration and kindred sectors dispensed to the representative of Nicaraguan communism, Tomas Borge, during his stopover in Argentina on a visit to Uruguay.

The Sovietization that we will comment on today has to do with the nasty word itself, which the defense minister, Dr Jaunarena, used some weeks ago when he analyzed the events in the military this summer, events that have left an enormous open wound full of nuances and details that affect not only the Armed Forces but all institutions.

We are putting it so categorically and starkly because domestic problems have begun sliding faster down the slippery slope of the crisis. We should interpret this faster slide as an ever quickening approach to an outcome that we are still not certain of, which makes the situation even more anguishing. The most recent bombing (or self-bombing) incidents and the strengthening of a dreadful suspicion that this was another administration maneuver, are merely a partial reflection of a state of affairs in which the very principle of authority and, therefore, the credibility of those who are supposed to exercise it are being challenged.

A Dissertation by Caridi

Having said this and without forgetting that the investigation of terrorism under way will bring major new developments of perhaps incalculable scope, we will begin by reporting that when the Holy Week celebrations started early this month, the Army chief of staff met in the Libertador Building with a large number of noncommissioned officers, to whom he spoke of the difficulties that the branch is having and of the measures taken to resolve them.

By holding this meeting, Gen Jose Dante Caridi sought in a way to respond to the complaints set forth in a pamphlet that circulated widely and that caused the expected concern, even though the incident could also be another symptom of the anarchy that is besetting the republic.

Caridi made it clearly understood that the commands were worried about the problem of wages, especially since they are 43 percent behind where they were in 1983. He let it be known, however, that the lag would be gradually made up within 2 years, which means that the military will begin earning an acceptable income again as the months pass. The Army chief also indicated that the best efforts would also be made to improve other items, such as housing, and he was categorical in stating that an ethics policy to correct the irregularities that exist or may exist in the branch has been set in motion. In this regard, Caridi made a specific reference to the investigation and the resulting severe sanctions that were imposed in the wake of what happened at the Army Social Benefits Institute (IOSE), and he explained that similar steps were being taken in connection with the supply of improper shirts whose use, therefore, was banned.

The chief of staff concluded his remarks with a significant piece of news that is not devoid of political content. He said that the media campaign against the military in general would end. The campaign was launched in December 1983 by the official news media and by other media which although they are private shared and share the government's ideological objectives.

There was something to Caridi's words. He acknowledged to what degree the military is hurt by the ongoing departures of its personnel, who must perform in a highly charged situation that offers many facets: wages so low that they could be described as poverty pay, the lack of resources to develop professional vocations and skills, and persecution, not only from the media, designed to undermine the morale of military personnel, whatever their rank. As is public knowledge, all this has left Argentina virtually defenseless.

Letters From NCO's

The responsibility for what we have explained is clear and specific. So much so, and it bears repeating even though it is obvious, that "Operation Dignity" came in response to the need for rectification, as the demand spread throughout the military and was actively embraced by noncommissioned officers as well. This latter fact was not properly evaluated either at the time by the officials of this social democracy; even today the top echelons of the Alfonsin administration seem to be unaware of this reality, which has very special significance and could have much deeper implications than one might initially suspect.

The fact that the NCO's identify with the principles of dignity that were set forth last year shows that there is a uniformity of views and that a common problem which even involves feelings exists. So that readers will grasp the scope of our assertion, we will transcribe several lines from the "open letter," signed by Noncommissioned Officer Vizcarra, that was delivered to us. He begins with remarks on how proud he was to have served in the war for the Malvinas Islands and goes on to say that he is convinced that there is "a plan to destroy the Army." Vizcarra, who is behind bars in Magdalena, where he says he is receiving "humiliating treatment," states that he identifies with "Operation Dignity" and is a subordinate of the commands headed by Aldo Rico.

Another similar letter is from Cpl Duilio Cerquetti, whose eloquent and very personal remarks on other issues are all the more interesting. For example, Cerquetti states that "from what we were told at the Non-commissioned Officers School and from what our superiors at the 21st RIM [Mountain Infantry Regiment] always explained to us, the Army was attacked by the government in its most important element, its men, and the attack, as far as I can gather, was worse than that of the armed guerrillas.... I was never a group chief, the post for which I was trained. Nor was I able to do command training because we have no soldiers. There are weapons that I never shot, because there is no ammunition. Much time is spent on providing services, taking care of one's

duty in the formations, and senior personnel are swamped by red tape. I have seen for myself in civilian life that some comrades were afraid or ashamed to say that they were in the military. Nonetheless, things changed suddenly during Holy Week of last year. The Army, led by several chiefs who had earned their prestige in combat, decided to salvage their dignity, and great hopes for change welled up in almost all of us."

To conclude, let us emphasize that these are not the only letters and that they all carry a similar message expressed in a different tone and, at times, with different priorities. Nonetheless, when all is said and done, they firmly set forth a position and, moreover, convey a determination to continue along the chosen path.

Is this the Sovietization to which Jaunarena alluded? If it is, it is very odd, because an objective observer can see that the subordinates are identifying unbendingly with their superiors. Such an identification is expressly related to the principle of authority, which in this instance is confronted with an emergency in keeping with the undercurrents that are driving and spurring on Argentina's drama. And, we emphasize, the first, healthy reactions to this drama have now come and from the beginning they have been appeals to the hierarchy for a projection of their irresistible and natural growth.

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Banzer, Press Evaluate Pact for Democracy

Banzer Criticizes Government Party
33480109a *La Paz HOY* in Spanish 23 Mar 88 p 8

[Text] Hugo Banzer Suarez, head of the Nationalist Democratic Action, accused the government party yesterday of attempting to do away with the Pact for Democracy, since, within the MNR, confusing and opposing attitudes with regard to the pact are to be found.

"The Pact for Democracy is not a pact of agreement. And it is necessary to speak frankly precisely now, and to say openly that despite all our efforts, the Pact for Democracy is not functioning as it should, as it was conceived," Banzer emphasized during the reading of his message in homage to the ninth anniversary of the founding of his party.

However, the former general maintained that despite the difficulties, the pact has contributed to substantial improvement in the handling of the decisions made within the realms of economic policy and morality.

He reiterated that the Pact for Democracy was not a mechanism for the distribution of soft jobs among parties, noting that its scope goes "beyond the political situation," because its purpose is to transform the democratic system into the permanent norm regulating coexistence among Bolivian citizens.

In another part of his speech, Banzer expressed regret that the reactions opposing this proposal come "precisely from the sector which should show the greatest interest in maintaining the agreement, because it is widely known that without it, the fate of the country and the government would not have been the same."

In his statement, the former chief executive reviewed his political activities within the framework of the elections, and he said that the most recent elections, both general and municipal, have confirmed the ADN as the leading force in the nation.

"The ADN vote, then, is not due to the political favoritism of the moment, but to the continuing support of the citizenry, the unwavering confidence of its members, which is what interests us," Banzer stressed.

Continuing with his analysis of the elections, the highest leader of the ADN warned that the "old partners of the UDP" are on the move again, and he charged that, having resumed their meetings, they have agreed to support the strike movements in order to bring back into power "the anarchists embedded in the trade unions, as a means of weakening the efforts and the morale of the government plan."

He criticized these groups harshly, describing them as retrograde and charging that they promote slogans which are now outdated, such as "the dictatorship of the proletariat and the class struggle."

In a paragraph entitled "The Responsibility in 1989," Banzer said that the Bolivian citizens will have two very clear options—coming out in favor of what he called political adventurism, or adopting a "consistent and serious" attitude.

In a reference to the MIR, the ADN leader said that "The votes in 1989 will be divided between the movements which have demonstrated pragmatism without values for the purpose of seizing power, and the proposals which thoughtfully and realistically and without false promises embody the desires of the citizenry and meet the requirements for the survival of the national state."

He warned that a different mentality is developing on an international scale among the rich nations, and with its preaching of "liberation" to the countries which produce raw materials, it could condemn us to greater poverty.

Banzer also criticized the attitude of the international financing bodies, blaming them for implementing dogmatic plans while "sitting in comfortable offices, juggling figures and indicators and imposing judgments without any connection to the reality in the country."

He also stated that terrorism, drug trafficking, decentralization, wages, unemployment and the constitutional reforms designed to modernize the state are constant subjects of discussion in the country.

In conclusion, he stated that the ADN commitment is to Bolivia first, because it covers the Bolivian citizen, who hopes that the Pope's visit will lead to reflection on the part of those who govern and those who are governed, so as to allow a just social balance to exist in the country.

Analysis of the Pact
33480109a *La Paz PRESENCIA* in Spanish
25 Mar 88 p 3

[Editorial: "The Pact for Democracy and the Political, Economic and Social Reality"]

[Text] Political pacts in Bolivia have almost never been successful, except for winning electoral victories, both because of doctrinal differences and, above all, because of the primacy of the interests of the members of the political parties which have signed them. The pact drafted by the MNR and the ADN after the present government took office has to some extent achieved a good result. Its success has meant controlling the hyperinflationary process, thus preventing the actions of some members of the legislative benches, who believe that opposition means rejecting everything, even what is good, from distorting the remedies and blocking the

adoption of measures which, although they have been forceful, radical and harsh for the majority of the people, have on the other hand had the virtue of bringing about stability for the economy.

The Pact for Democracy has made the opposition, in this case the ADN, constructive and responsible, although only relatively so. No one can deny that there have been errors. Indeed, many members of both of the parties which are committed to the pact have not hesitated to take advantage of the opposition and to adopt unsuitable positions. One of the most negative things is certainly the fact that when it suited government or party interests, the Chamber of Deputies was left without a quorum, the debate on major laws was postponed, and in some cases the interpellation of members of the executive branch was hindered.

The head of the ADN, in his analysis of the situation in the country, was categorical in indicating that the members of this party's ally, the MNR, or those who are interested in its primacy, are seeking to destroy the pact. He also condemned the action of the UDP and the policies adopted by those who prefer the earlier scheme of government and would like to see the recurrence of events which were negative for the country.

The economic reality is characterized by some very serious aspects, and the results achieved, especially in the social sector, leave much to be desired of the government party, and of the Pact for Democracy itself. If indeed it cannot be denied that these consequences are the product of the ore-price crisis and the decline in our exports and the national production level, no one can deny the lack of foresight and imagination concerning the emergency measures which could have been adopted, thus avoiding the serious problems the majority in the country are experiencing. These problems are most acute for those who have been subjected to the now famous "relocation," which, as can be seen, does not appear likely to end.

The Pact for Democracy, a formula for engaging in responsible opposition, should also, according to the original announcement, have served at the proper time to prevent the errors which in one way or another planted the seeds of multiple problems and difficult situations which could provide a "firm basis," in this instance, for those who believe they have the right to change constitutional structures, and by means of extreme attitudes, to sponsor the return of de facto governments.

The Pact for Democracy, despite the ambitions of many members of the government party who want to "mobilize" the government, and despite the warnings that the ADN "will block the path" of those who seek to impose the old methods, as was done in the days of the UDP by those who seemed to feel that they owned the country and that no freedom existed for dissent, for the proposal of other government programs and new styles

of life for Bolivians, must answer not only to the signatories of the agreement, but above all and fundamentally, to the highest interests of the country.

The Pact for Democracy should be not only a political pact and a pact for coexistence between the government and the majority opposition, which the ADN could be, but also a pact for discipline, compromise and work, setting an example for the other parties. It should be a document embracing respect for those who dissent from this method of being, thinking and working. There is no political pact, however perfect, which can claim ownership of the country. On the contrary, and as is made clear in healthy policies, it must be a document, a pact, of service to the common good.

The economic and social future looks serious and there are indications of great difficulties. It will require an understanding of the reality and the joint work of all Bolivian citizens, and to a much greater extent, naturally, of those who in one way or another bear the responsibility of government.

Background of the Pact

La Paz HOY in Spanish 25 Mar 88 p 3

[Commentary: "Survival of the Pact for Democracy"]

[Text] The criticisms made by former dictator Banzer Suarez in his capacity as head of the National Democratic Action concerning the factors which are weakening the Pact for Democracy, in which he argued that members of the MNR have adopted attitudes which are confusing, and that furthermore, there are "apparently challenging groups which reject the pact and are trying to do away with it," made it clear that the government party precisely was the one most interested in maintaining this political agreement, which gave rise to disagreement among some MNR supporters, instead of consistent and specific acceptance.

The New Economic Policy, by its very nature a factor which brings the ADN right wing together with the faction favoring movement, means the destruction of all the seemingly ideological inclinations which guided the April 1952 revolution, implemented in particular during the first government of President Paz Estenssoro.

Although the term "demagogic" was apparently directed at the UDP, which governed the nation in the earlier period, the fact is that the plan for state economic and business policy was simply to maintain the structure created with the nationalization of the mines and the establishment of the state enterprises included in the Bolivian Development Corporation, Bolivian Government Oil Deposits, ENFE, ENTEL, etc.

But the antimovement reaction was taken up by the MNR, which, following the lead of the international economic advisers of the ADN, implemented the most negative aspect of the conversion of the whole apparatus

organized by those who headed the country during what was called the National Revolution. To achieve this, it is necessary to destroy all of the foundations of the structure, which is not only economic, but in particular social, and to cancel out the power of a trade-union movement which began to gain strength with the establishment of the Bolivian Labor Central, thanks precisely to the work of the MNR, although it is true that it was embodied in the personal action of Juan Lechin Oquendo.

If the ADN wants the Pact for Democracy maintained, it is because it still lacks any means of counteracting some negative policies which the MNR government is likely to continue to pursue, such as for example the decentralization of education and health. These policies will probably include dealing the final death blow to the Bolivian University and the principles of autonomy prevailing therein.

The reason the adoption these unpopular measures was desirable was not the threat posed to the MNR, but rather the benefits to the ADN, which, if it has the opportunity to elect the president of the republic in 1989, as it hopes it will, will no longer have to endorse these measures damaging to the interests of the vast popular sectors. In such a case it would instead emerge as their benefactor.

And many of the members in the MNR understand this phenomenon—those who in the period since last Tuesday, 22 March, when Banzer Suarez gave his address, have reacted ever more radically, urging a change in the policy pursued by the economic sector which is cooperating with Dr Paz Estenssoro, but is in fact only aiding the right wing of the ADN in its skillful maneuvers.

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VR-9 Announces 1989 Election Platform

Liberation Doctrine Launched

33480109b *La Paz HOY* in Spanish 25 Mar 88 p 16

[Text] Revolutionary vanguardism as a doctrine of liberation and modernization for Bolivia and the non-aligned countries of the Third World was proclaimed yesterday by the national leader of the VR-9, Deputy Carlos Serrate Reich, at a working breakfast meeting with representatives of the press, radio and television and special guests at the El Arcangel Restaurant.

Serrate Reich, the central figure at the meeting, was seated at the head table along with his wife, Mrs Martha Valdivia de Serrate; Gen Humberto Cayoja Riart, retired, the executive secretary of the VR-9; Dr Gonzalo Quiroga Zubieta, head of the La Paz Departmental Command; and Dr Juan Pereira Florilo, a national party leader.

Copies of two ideological documents were provided to the journalists. The first was entitled "Toward an Ideology for the Dependent and Neocolonial States—Revolutionary Vanguardism As a Liberation and Modernization Doctrine for the Nonaligned Countries of the Third World," and the second set forth the "Ideological Bases of the Revolutionary Vanguard," along with an analysis of the situation in Bolivia. The complete texts of both documents are included in the Analysis Supplement accompanying this issue.

In a brief explanation to those present, Dr Serrate Reich said that in modern times, man contemplates the third millennium with terror, because he suffers the anguish of not knowing what changes are approaching, just as happened at the end of the first millennium according to the religious calendar, with the great change before and after the advent of Christ, and again at the beginning of the second millennium, which was characterized by the development of philosophy and logic. After posing the question as to what the constant factor in the third millennium will be, Serrate said that without a doubt it will be science and technology.

He went on to discuss the fate which awaits the citizen of the Third World, which is burdened by debt, backwardness and underdevelopment and is dependent on hegemonic and international financial, commercial, industrial and service powers which are in the process of rapid modernization and are moving toward automation. He spoke of the accumulation of atomic arsenals and the arms race which is constantly developing new instruments of mass annihilation.

He said that in view of this situation, the neocolonial peoples in the Third World, oppressed by the oligarchic world power mechanism, need an ideological and political tool adapted to their national realities and capable of serving as the motivating force in the struggle for true liberation. He maintained that the doctrine promulgated by the VR-9 on the third anniversary of its founding is designed to provide the peoples of the Third World with this vital instrument, as well as an ideological basis for overcoming the backwardness and dependence in which our country finds itself.

Structural Changes

Serrate also said that the VR-9 proposes to introduce profound structural changes in Bolivia on the basis of a new political constitution for the state, with the concept of mixed ownership of the tools of production, so that they will not work against the highest interests of the national economy—growth and autonomous and liberating development. He said that the vanguardists' doctrine gives industry and trade within the national territory the broadest freedom, and it will guarantee economic freedoms, along with and equal to the political

ones. However, it will keep the complete management of foreign trade in the hands of the state and will exercise the strictest control over the national public and private financial systems.

In the view of the VR-9, he said, health and education merit priority attention from the national state. And he added that within the integral vanguardist concept, the peasant will be provided with special benefits, because of the inferior quality of life in the provincial interior of the country. This will be assured by means of tax and duty advantages for the peasants, which will lead to higher per capita income. He also emphasized the need to build asphalted main roads and to carry out other projects to promote agricultural production and industrialization.

He said that the VR-9 will honor the public foreign debt, but that in this connection it will negotiate long-term payments and amortization, "until the new installed productive capacity can generate the necessary resources without affecting the basic requirements of the people."

He concluded by urging Bolivian citizens to remain vigilant to ensure "that the National Revolution will triumph and the liberation process will continue without interruption until the goals which mankind sets for itself in the course of the coming millennium are achieved—a combined economy which allows for private creativity, ideological pluralism, and individual political and economic freedoms, along with the containment and elimination of oligarchic privilege and concentration, neocolonial domination, financial imperialism and its international bodies and mechanisms."

VR-9 Analyzed

33480109b *La Paz HOY* in Spanish 24 Mar 88 p 3

[Commentary by Juan Pereira Florilo: "A Party Developing Without Financing"]

[Text] The Revolutionary Vanguard is commemorating the third anniversary of its founding as a political party. Its demonstration of its electoral potential when it emerged for the first time in 1985, the year of its founding, has made the party headed by Carlos Serrate Reich into the leading electoral force in the large rural sectors of the most densely populated department in the republic, La Paz. And it has succeeded in nominating four deputies for La Paz and one for Oruro, Potosi and Chuquisaca, which led the government party to begin to maneuver to gain ground through corrupt proposals of betrayal to three of them.

As a result of the municipal elections in December 1987, and thanks to maneuvers agreed upon by the co-governing MNR-ADN majority, with the cooperation of the MIR-NM, the electoral law was amended, thus preventing the greater part of the peasant masses from exercising their electoral rights. And despite the fact that about 400,000 citizens do not vote in La Paz, and more than 700,000 throughout the republic, the VR-9 is again

demonstrating that it can succeed through its own strength, without alliances, and without spending the multimillions used in their proselytizing work by those who have the financial support of the forces which exert international economic or political pressures. It again has 39 percent of the rural support in La Paz; it is consolidating its leading place in the provinces; and it is winning the majority of the leading posts in the capitals of the provinces and sections. And in the urban area, it is beginning to launch a new debate, differing substantially from the antiquated elements in the proposed "great solutions." Meanwhile, none of the other contenders is presenting a program of concrete actions for changing the structures which must be altered at this time and for creating a real new prospect for change, looking toward the future.

Representatives of all the media, who have been invited to attend a modest breakfast meeting this morning, will be given copies of the first documents drafted under the direction of the leader of the party and the group of Revolutionary Vanguard officials.

This new moderate leftist political force analyzes the factors seen throughout the modern world in which we live, dispassionately but with profound conviction. In this connection, Carlos Serrate Reich examines the various problems which are arising all over the world within the doctrinal realm, and in terms of the prospects for the third millennium, he sets forth the viewpoints which his party will support beginning with the 1989 political campaign for the election of the new president of the republic. It is in terms of these aspects that the VR-9 will adopt a precise stand with regard to the international picture, with a very clear definition as to the nonaligned Third World.

Also, and setting aside any mere demagogic offer, an analysis is made of the problems now involved in our national reality, defining the Revolutionary Vanguard as a party of an agrarian and democratic bent, indeed, but with an assessment of the conditions encountered in the other sectors which, under the influence of movements supported in particular by backward reactionary positions belonging, ideologically and philosophically, to the historical past, are also, within the process of dialectical analysis, affected by another factor. It is the erroneous position adopted by the forces of the Marxist left, the very ones which, finding themselves unable to resolve the problems in our country, which is a part of the Western world, on the basis of trends alien to the sociological and psychological characteristics of our majority popular sectors, have unfortunately, for this reason, ceased to give credit to some strategies which, by making use of the trade union movement, for example, could have brought about the new changes the country needs.

In the documents it is making public today, the Revolutionary Vanguard explains the full scope of the ideological-doctrinal platform of the party, but without falling

into the error of setting forth criteria designed to confuse the vast popular sectors with unworkable proposals. Instead it sets forth the principles of a process which would lead the nation to find the methods which would allow us, in the 12 years remaining before the third millennium begins, to forge a new nation. This nation would already have established the foundations of a new Bolivian republic, wherein the productive strata would have already been organized to replace tin, which has begun its final decline, and the dependence on gas, which an anguished attempt is being made to sell to other neighboring nations, whereas this very product, strengthened by new forms of production which should be in the hands of the state, can make it possible, through the establishment of large multinational enterprises, to create substitute sources of jobs. These jobs are needed by the unemployed and they must be made a reality immediately.

The social enterprises, and especially the cooperatives, will be those proposed as the new national solution, and to this end, the "development financiers" throughout the country will be promoted. Also, it is proposed that central bank credit should only be allocated for this type of activity, since the private sector has its commercial banks to serve it. These are among the other points explained in the basic documents of the VR-9.

As a courtesy to the other political forces on the left, with whom it will engage in dialogue during the second half of this year, the VR-9 has chosen not to publish its "Government Platform," since it postulates that, on the basis of an agreement with consensual approval for the great new goals of structural change, it will be possible to ask the voting citizen to decide in 1989 who should guide the destinies of the nation in this serious time of crisis, hunger, unemployment and lack of ideological and program concepts.

And it is on this that the VR-9 is basing its future action, which will now be oriented toward the intellectual circles of the middle class, the workers and the urban trade unions. It is with them that it must draft the new political constitution.

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Declining Economic Productivity Seen as Threat

Production Slowing to Standstill

33480125a *La Paz HOY* in Spanish 1 Apr 88 p 2

[Editorial: "National Production Down Instead of Up"]

[Text] The analysis which is widespread throughout all the sectors in the country except the government lead to the conclusion that if things continue along the orthodox neoliberal line, this will make Bolivia into an importer country, no longer in a position to export in order to put an end to our dependence. For various reasons, in some

cases natural (drought, excessive rainfall), and in others due to lack of development in the agricultural and industrial sectors, we are approaching paralysis in productive activities.

In a documented report, Muller and Associates, an economic consulting firm, says that the gross domestic product representing the value of goods and services during a given period, shows a sustained decline for the period between 1980 and 1986, reflected in a decline of 26 percent in per capita income. This phenomenon may date back to 1974, for it was then that a policy designed to channel domestic production toward an increase in services, replacing an increase in goods, was initiated. "In 1987, the production of goods accounted for only 47 percent of the gross domestic product, while in 1973 it represented 68.3 percent."

As far as agricultural work is concerned, it must be stressed that this is the most important sector, to which must be added agroindustry and coca cultivation. In addition, it is the sector which provides goods, particularly those in the food category, both for the replacement of imports and for the export supply; it is also of great economic importance in providing jobs. We must say that in 1987, it showed no growth, revealing instead a negative index of 0.18 percent. The reasons for this situation were the imports, the slowdown in planting, and the shortage of grains, milk and even beef. To a certain extent, as the report says, an increase in the national supply was prevented.

A whole series of pressures have been exerted which may affect not only normalization but also the development of agriculture. If we add in the imposition of the IVA tax, both farm workers and owner enterprises may well abandon the rural sector. This observation could also be a part of an overall analysis, in which the industrial branch is an important factor. It indeed showed growth last year of 7.24 percent, pertaining directly to the beverage sector, which increased the manufacture of glass containers. Both industries saw an increase in their factory production of 25.25 percent and 70.28 percent, respectively (again according to the Muller and Associates report). Beer production increased by 11.06 percent, and that of alcoholic beverages by 32.46 percent. With regard to wood products, excluding that smuggled out of the country, the increase was from 11.06 percent to 32.46 percent.

Another category which was negatively affected was leather. Due to the import of processed or finished materials, our industry suffered, reflected in a decline of 31.86 percent. Also the manufacture of chemical products, pharmaceutical products in particular, was down 25.24 percent. Rubber products were down 33.21 percent, and basic industries declined 65.59 percent. The products of the mills and bakeries, for their part, showed a 15.16 percent decline. All of these figures are taken

from the report in question, and we should also add the figure for the production of the oil refineries and miscellaneous products—0.87 percent.

This is the situation, on which further comments could be made. As can be seen, there is a marked regression, which will continue to become more acute unless it is not fully assessed and unless a method of attracting healthy investments is contemplated.

Our Economic Problem

Cochabamba LOS TIEMPOS 21 Mar 88 p A4

[Commentary by Jaime Guzman H.]

[Text] A state which does not produce is a nonexistent state. This dramatic situation is becoming a reality thanks to the systematic destruction of the state in the last 36 years.

While the nationalization of the mines did indeed return the great mining wealth to ownership by the people, it also created, parallel to it, an intermediary mining sector nurtured by state mining, with the aid of corruption. The COMIBOL was not destroyed by the laziness of the miners, nor was it because the militiamen abandoned persuasion to take up rifles, or left their caves for guard posts in the cities. Rather it was because the party bureaucracy left no opportunity for corruption unexploited. This corruption reached such a point that even foreigners who came to oversee the various rehabilitation programs and who became "comrades" were involved in it.

After the almost total dissolution of the COMIBOL, it was the turn of the YPFB, which always operated at an economic, technical and human deficit in order to pursue the exploration and exploitation work which developed the national economy. Although this deficit situation was reversed by the nationalization of Gulf Oil, it was not very long before this deficit returned to its channel, thanks to the deals which the business bureaucracy and a corrupt trade-union leadership undertook during the Banzer period, which put this enterprise which is of strategic importance to our national development in a regrettable situation.

The destruction of the state and private national industry was, then, systematic and continuous. Toward what goal was this policy directed? We do not know. It is said that what was wanted was to create a social market economy, but this strategy points only toward greater dependence, because it neglected production and failed to guarantee any self-sufficiency at all.

But the now almost total liquidation of the productive apparatus has also brought with it an increase in and the institutionalization of the informal, or black market, economy.

In fact, it is news to no one that enterprises, both of middle and small size and cooperatives not belonging to the state, have "produced" or taken out of the COMIBOL excavations by the "jukus."

Similarly, the smuggling of fuels, clothing, food, domestic electrical appliances, vehicles for public and private transport, and even foreign debt funds has become institutionalized. If Bolivia has come to stand out in the region, it is because of the smuggling of gold, the trafficking in drugs and the reexport of foreign exchange to international private banks.

To speak of the Bolivian currency is almost anecdotal, in view of the more than 10 zeros it has lost in the changes of symbols and names, and as effect of the ever present inflation.

It can be said with full certainty that Bolivia has never had a clearly defined domestic economic policy. On the contrary, except for short periods, foreign interests have always maintained tight control over our wealth, to the extent that we do not own it, through the dismembering of our territory or the control of palace cliques.

All of this diabolical economic destruction of the state was only made possible by the corruption which gripped the three branches of state government, and to which we referred above.

With the current system of depravation, impoverishment and surrender to foreign interests, Bolivia has no economic future.

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Increase in Smuggling Now Affecting Legal Trade

Smuggling Intensified on Peruvian Border
33480125b La Paz EL DIARIO in Spanish
25 Mar 88 p 5

[Text] The Desaguadero Customs Office on the Peruvian boundary is a transit point for agricultural and industrial goods exceeding \$40 million in value every year.

In collecting the existing customs duty of 22 percent, the Desaguadero Customs Office should collect \$7-8 million, but it is only succeeding in collecting a mere \$300,000 annually.

This information was provided to EL DIARIO by Eng Fedor Perez, the operations manager of the Regional Smuggling Control Committee, a body which officially began its activities on 4 January of this year, after the government, by the supreme decree dated 25 November 1987, had established the National Smuggling Control Committee.

Results

According to the operations manager of the regional committee responsible for controlling this traffic, in-depth investigations were pursued in the Peruvian boundary region, and it was found that heavy tonnage trucks enter frequently.

The cost of confiscating goods transported illegally in this way ranges from \$1,500 to \$15,000 per vehicle, based on the very limited data indicating that during the year, goods worth \$40 million crossed the frontier at this point. The skill of merchants in camouflaging goods is very extensive, and has caused difficulties for the members of the commission, although as they have pursued the struggle, they have gained greater experience.

The results obtained have proven very useful to the minister of industry and commerce, who met with Peruvian government authorities in Lima last February.

According to Eng Fedor Perez, the results of the investigations were also very useful to the Peruvian authorities, to whom it was demonstrated at a meeting that they were losing foreign exchange by allowing the illegal entry of goods into Bolivian territory.

This was in connection with the articles the Peruvian government subsidizes—milk and flour in particular, as well as sugar, another item of primary necessity.

"The Peruvians understood," Perez said, "and they took steps to make seizures in the frontier towns. This is also benefiting the millers in the country and the industry and trade in dairy products, which were in a very depressed situation in view of the appearance on the local market of other similar products at competitive prices."

Fertilizers

The operations manager of the Regional Smuggling Control Committee said that another important cadre of goods smuggled from Peru to Bolivia is fertilizers.

Fertilizers are distributed free to the Peruvian peasants, because the product is obtained as a gift from such international organizations as the European Economic Community. Instead of using them to work the land, the Peruvians prefer to smuggle the product into Bolivian territory, because by so doing they earn substantial profits.

Our informant noted that this subject was also given the proper attention by the Peruvian authorities, and the necessary measures have now been adopted to discourage marketing following smuggling.

Cooperation

The operations manager of the Regional Smuggling Control Committee stressed the high level of the cooperation being received from the government authorities, but he deplored the fact that the same is not the case on the lower levels.

"Subordinates," he said, "seem to be better friends of the smugglers than of the state."

He noted that a high level of corruption was observed among the subordinate personnel of the General Customs Office, along with the limited cooperation these individuals provide the committee in its ongoing operations.

Trade Relations Threatened

La Paz PRESENCIA in Spanish 14 Apr 88 pp 1, 12

[Text] Last year, the phenomenon of smuggling caused a sharp decline of more than 55 percent in the value of trade between Bolivia and Peru, PRESENCIA was told yesterday by the director of the Arequipa Foreign Trade Institute, Juan Manuel Pacheco.

Pacheco is the head of a delegation of 13 private businessmen who arrived in La Paz on 12 April for the purpose of submitting to the authorities and representatives of private business an offer calling for the export of Peruvian metal mechanical products, along with a proposal for a mechanism to deal with the smuggling problem.

The director of the trade institute in Arequipa, a city located 450 km from La Paz (10 hours by road), reported that the trade exchange between the two countries has declined substantially.

The total for Peru's exports to Bolivia and this neighboring country's imports of our products has declined since 1987 as a result of smuggling, Pacheco explained, on the basis of data provided by the Peruvian Foreign Trade Institute.

In 1985, Peru exported goods to Bolivia and imported Bolivian products which came to a total value of \$25.4 million. The following year, the figure was \$26.4 million, but for 1987, the figure was only \$13.2 million.

Legal trade has dropped as a result of the smuggling affecting the two countries, and not just Bolivia, in Pacheco's opinion.

For example, in 1985, Peru exported goods worth \$13.1 million to Bolivia. In 1986 the total was \$9.8 million, and in 1987, only \$5.8 million.

In 1985 Peru imported goods from Bolivia worth \$12.3 million, while the figure for the following year was \$16.6 million, and that for 1987 was \$7.3 million.

Put in another way, Bolivia exported goods worth \$12.3 million to Peru in 1985, while the figure for 1986 was \$16.6 million and that for 1987 \$7.3 million.

Smuggling a Threat

"The decline in the value of exports between the two countries shows that a large part of the export process involves smuggling," the director of the Arequipa Foreign Trade Institute told PRESENCIA.

Goods are smuggled to Bolivia and also to Peru by means of illegal trade practices.

In the case of Bolivia, the problem is much more serious, because the nation's legal trade in products has declined by 40.8 percent, while Peruvian exports to our country are down 56 percent.

Pacheco believes that in 1987 alone, "goods worth some \$5 million may have entered Bolivia, while Bolivian goods smuggled to Peru may have come to about \$7 million."

According to the Bolivian commission which is combatting smuggling, a recently established body made up of businessmen and representatives of the government and industry, Peruvian goods smuggled to Bolivia come to a total of \$40 million annually.

While the Bolivian markets are being saturated with Peruvian products of various types, including dairy products, beverages, clothing, cosmetics, perfumes, foodstuffs, etc., Pacheco said that chestnuts, alcohol and sugar, mainly, are being smuggled into Peru.

He emphasized that both countries are suffering from the smuggling because of the negative impact on their respective economies, with the reduction in income from taxes, the threat to industries, and finally, the gradual dwindling of the productive sector it causes.

Origins of Smuggling

The smuggling between Bolivia and Peru is a phenomenon which developed many years ago. "Basically it is due to the exchange rate and the cost of the product in the two countries," a Peruvian official says.

Another factor which also influences the increase in this activity is unemployment, although in Pacheco's view, those who engage in smuggling cease to be unemployed and earn substantial income.

He admitted "petty smuggling" practiced by persons with limited resources, also exists.

Immediate Solutions

A bilateral commission made up of government employees will meet this coming August to analyze the smuggling problem, in accordance with agreements between the two countries.

Peruvian businessmen believe that it is necessary to take immediate steps to halt this activity, and they have proposed to the Bolivian authorities that a "warehouse" be established at which Peruvian goods at prices similar to, or perhaps less than, those introduced illegally could be exhibited and made available on Bolivian markets.

A similar step might be taken in Arequipa, since the smuggling of Bolivian products is also affecting industry in the southern part of Peru, Pacheco said in conclusion.

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Daily Calls for Border Controls To Curb Gold Smuggling

33480125c *La Paz HOY* in Spanish 27 Mar 88 p 2

[Editorial: "Gold Smuggling"]

[Text] In a categorical denunciation, the president of the Mining and Metallurgy Commission of the Chamber of Deputies has stated that 70 percent of the gold produced in the country is being smuggled abroad. This makes it obvious that there is no control at all of the traffic in this important natural resource, and it shows once again that the lack of customs surveillance is of such magnitude that it should be the leading concern of the Ministry of Finance.

On the other hand, more serious and efficient concern should be devoted to the systems of exploiting and recovering gold ore. There are few deposits of the vein type. The majority of the deposits require recovery by placer methods. Supervision and quantification of the extraction of and profits from gold with this system of working are difficult. For this very reason the temptation to export it without paying the pertinent royalties and taxes is practically impossible to combat.

It is for this reason that the new mining code should include systems requiring those who hold concessions to make compulsory deposits of gold or its value in foreign exchange on a monthly basis, at a rate of exploitation, of course, exceeding what is due for taxes. These ideas were included in a first draft regulation on gold exploitation. These provisions were eliminated, and in this way, the advantage the social community might derive from the mining of this noble inorganic element go to benefit no one but the owners, legal or otherwise. The traffic in this smuggled good is so great that, as was reported to the legislature, the greater part of the production either escapes from the country or, due to the inefficient systems of mining and recovery, is lost in the rivers or areas where it is found.

The most practical step, moreover, would be to subsidize its recovery with a better price. It is estimated that both the cooperatives and the established enterprises can carry forward their plans, and with the knowledge of and control by the authorities in the sector, it is possible to increase the marketing and the contribution it makes to the national economy in a truly encouraging fashion. Gold can and should constitute one of the main categories contributing to the growth and development of our economy.

The urgent need to provide gold miners with the necessary capital goods and funds, depending on the region, so that a higher level of production will be made possible by rotating funds, must be taken into account. All of this

comes within the logical organization of the industry, which requires concern, with balance and caution, for the methodology required to increase yields and profits.

The principal aspects of this problem include legal marketing and the aid required for metallurgical technicians. The pursuit of a gold policy requires maturity and especially suitable treatment. A study should be made of the methods used in South Africa, the leading world producer of this ore, and its knowledge should be obtained and its experience utilized. We continue to believe that a part of our future economic reactivation depends on the proper utilization of the gold resource.

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Church Speaks Out on Controversial Issues

CNBB To Monitor Liberation Theology Writings

33420087d Sao Paulo *O ESTADO DE SAO PAULO* in Portuguese 22 Apr 88 p 11

[Text] In its next 37 volumes, the "Liberation Theology" collection, published by Vozes, will have "direct oversight by the CNBB [National Conference of Brazilian Bishops], through the Episcopal Doctrine Commission (CED)," whose task it will be, according to Eusebio Scheid, the bishop of Sao Jose dos Campos, "to analyze the orthodoxy in the works, whether or not they having anything in them that is contrary to faith and morality." The decision, which has the support of the prefect of the Sacred Congregation for the Doctrine of Faith, Cardinal Joseph Ratzinger, is not restricted to works in the Portuguese language, but also includes those written in the Spanish language.

In spite of this monitoring, Scheid says that "the CED will not have censorship authority, but rather will contact the author to reach an understanding." Yesterday, during the 26th General Assembly of the CNBB, which ends today [22 April 1988] in Itaici, the bishops decided that the organization will create a national seminary. They left it to the permanent council (which is formed by the president, the episcopal and pastoral committee, and 15 representatives of regional committees), which will meet in August, to choose the editorial form of the newspaper, which is to begin circulation next year.

The Episcopal Doctrine Commission, which will evaluate the works in "Liberation Theology," is chaired by Aluisio Lorscheider, the archbishop of Fortaleza, and includes six more members, two of them alternates. During the meeting held with the editorial staff of Vozes last March, it was decided that the CED will not interfere with the selling of the 14 volumes that have already been published or even the 3 that are currently being printed.

Its mission will be "oversight" over the 37 remaining books of the collection, with the support of Cardinal Ratzinger. The bishops are making it clear, however, that it is not within the commission's purview to give imprimatur to these works. The note from Aluisio says that the CED will only do the "work leading up to the imprimatur, which the appropriate bishop will then have to grant."

Dioceses

Another topic debated yesterday by the bishops was that of creating dioceses in the big cities. According to the report of the committee that studied the problem, the CNBB needs to evaluate "new ways of organizing the Church in the metropolis." Concerning the creation of dioceses in the specific case of Sao Paulo, the bishops consider this to be the time to evaluate whether or not this would really be the solution.

As far as the bishops are concerned, there are four hypotheses to be discussed: the creation of independent dioceses within a single municipality; dioceses that are independent, but interdependent on some points, like Paris; a division such as there is today in Sao Paulo, with archdioceses and auxiliary bishops; or the naming of auxiliary bishops when necessary to substitute or complete tasks. The bishops state that if the Vatican wants to create the dioceses of Osasco, Itapecerica da Serra, Santo Amaro and Sao Miguel (now regions of the Archdiocese of Sao Paulo, which would then be reduced to the regions of Se, Lapa, Santana, Belem and Ipiranga), the decision of the Pope will be final. However, the bishops recall that the opinion of the CNBB will be heard on this topic.

The general assembly of the CNBB has also delegated to the CED "a well documented study" on the problems of apparitions, especially of Our Lady. "The goal," says the note from Aloisio Lorscheider, "is to furnish our people with criteria so that they can be aware of the thinking of the Church."

Boff on Legitimate Use of Violence

33420087d Sao Paulo *O ESTADO DE SAO PAULO* in Portuguese 22 Apr 88 p 32

[Text] Yesterday [21 April] in Porto Alegre, Father Leonardo Boff said that the use of violence is legitimate in situations "of systematic violation of human rights," such as in the countryside "where there is a steady increase in large landed estates, with hired hit men and professional killers. In such a situation, violence is legitimate because it is the defense against previous violence to which they have been subjected." For Boff, in such cases, even armed violence is a form of defense, but it "must not imply the death of the other person."

The priest warned about the "crisis of hope" which Brazil is experiencing, which could "lead to groups reviving the guerrilla policy of the 1960's. The main group responsible for this will not be the left, but rather the elite class and the government," due to the indifference with which they treat the common people.

Boff gave a collective interview in a shed at Ilha Grande dos Marinheiros, where the city's garbage men are concentrated. Nearly 2.2 tons of garbage pile up daily at this place—garbage which is sorted for sale to building material warehouses. The choice of the shed was intended to call attention to the garbage men's plight. Father Leonardo works in Petropolis (Rio de Janeiro) along with 120 families who collect garbage.

In the interview, the priest emphasized that these workers just serve "as cheap fuel for production" and that the levels of exploitation in Brazil "are on the same scope as one finds in India and Haiti, even though capitalism has the capacity to create a better situation. But it does not do so because it too is an exploiter."

Concerning what he called a "crisis of confidence," Boff said that the next step would be "random violence, bank holdups, murders." In order for that situation not to occur, he understands that "one cannot just concede points to save the people's right."

Although he thinks that in Brazil "there is already a situation that foreshadows the legitimate use of violence," Leonardo Boff says that "applying violence would be dangerous because the systems of control are still set up. The UDR has 170,000 weapons. Revolutionary violence would provoke the violence of repression, which is more organized and professional." Boff added that the use of violence as a defense "must not imply the death of the other person."

Boff states that "we are now living through a fierce class struggle, but we want the rules to prevail, because there

is trampling of the rules by the dominant classes, which prefer violence over negotiation." Rules for the class struggle would be "more freedom for the labor unions, more respect for the people who are striving to obtain land, strengthening the people's implements of struggle so that they can negotiate as equals." In his opinion, if the nation is in crisis, "it is due to the government's failure to listen to the people and their needs."

9895

PC Spokesman on Party Stand Toward Plebiscite
33480127 Santiago APSI in Spanish
28 Mar-3 Apr 88 pp 9-10

[Interview by Jorge Andres Richards with Carlos Toro; date and place not given; first paragraph is introduction]

[Text] Carlos Toro served as assistant director of investigations during the government of Salvador Allende. He then lived in exile and returned to Chile some months ago. Since then he has quickly become one of the main spokesmen of the Communist Party (PC), in which he has been an activist since his youth. In this interview Carlos Toro, who is an engineer by profession, explains the position of the Communists on the plebiscite.

[Question] What is the Communist Party's real position on the plebiscite?

[Answer] We have a very clear opinion: the plebiscite is a fraud. Our basic premise is that it is being held within the framework of an illegitimate and antidemocratic constitution. In order for an electoral event to be valid, it requires a package of basic guarantees, which are essentially the ones demanded by the Episcopal Conference, and they do not exist. Consequently, the plebiscite is fraudulent, and therefore we do not regard it as a valid or legitimate or moral mechanism. That is our essential position.

[Question] Nonetheless, most of the opposition has chosen to take part in the plebiscite and to vote no. Thus, you are isolated, and this time not because you have been excluded....

[Answer] We think that the minimum that we must demand are the guarantees that Jaime Guzman demanded at the elections in National Renewal (RN): the resignation of the party's officers. Translated to the national level, this means the resignation of the government. If Guzman decided that there was no guarantee for holding elections in RN, the government's main party, what guarantees are there going to be in the plebiscite?

[Question] How odd that the PC attaches validity to the words of Jaime Guzman, the ideologue who wants the Communists excluded, to defend its own position on the plebiscite.

[Answer] No, I'm not defending Jaime Guzman, far from it. I'm only emphasizing that if this individual, who is the government's number-one backer in this country, says that there are no guarantees in his own party, we in the opposition ought to come to terms and demand such guarantees, not take part straight off in an electoral event programmed by Pinochet.

[Question] And what can you tell us about the PC's isolation among the political opposition?

[Answer] We are not isolated. We are part of the United Left coalition, in which we share the most important points of consensus. We have only one disagreement, which is our stand on the plebiscite.

[Question] Yes, but that's not exactly a minor problem....

[Answer] The problem is that many of the opposition parties got ahead of themselves in making a decision on the plebiscite. We feel that the timing of the plebiscite is an element that we must use to hasten the transition to democracy, but as the historical experience of all peoples shows, there is only one way to make headway towards democracy: unity in the people's struggle, which starts with their most immediate demands.

[Question] You say that the opposition parties got ahead of themselves by coming out for a no vote. Yet these same parties say that you're going to be late getting on the bandwagon.

[Answer] The "no" decision came from Center-Right sectors that are not in favor of breaking with the current institutions. The best example is Arturo Venegas, a Social Democrat, who indicated that even if the noes win, he is in favor of abiding by the constitution.

[Question] That's what Venegas says, but parties from the Christian Democrats (DC) to many on the Left contend that a victory for the noes will mean a defeat for Pinochet and his constitution.

[Answer] That is not really the case, because many Center-Right sectors that were very happy in recent days when Matthei, Merino and Stange said that a no vote means chaos, have also said that the constitution must be abided by. Consequently, this means that we have to wait until after 1997 for democracy.

[Question] So in the final accounting you are not in favor of a no vote, are you?

[Answer] Our enemy is not the no vote.

[Question] But you're not for a no vote?

[Answer] We are not for a no vote.

[Question] And that's final?

[Answer] As our political commission stated in February, we are going to spell out our stand on the precise circumstance of this fraudulent plebiscite when the time is right and taking into account, first of all, the interests of the people. At the moment we are in favor of developing a social mobilization, developing a concerted struggle against the fraud and speaking out against those who have sold out. And Venegas is not the only one who has sold out; a lot of them also belong to the rightwing faction of the DC and they have backed down on almost everything.

[Question] As far as many are concerned, your party's current position borders on opportunism.

[Answer] It is not opportunism; it is realism.

[Question] What I can't understand is why your party decided to register if you're not in favor of taking part in the plebiscite.

[Answer] We decided to register, first of all, to eliminate an obstacle to an understanding among the opposition. Moreover, the question had become a point of conflict in the social organizations. Second, we decided to register to facilitate concerted efforts. Unfortunately, these concerted efforts did not come about because some forces fear the people more than they do the dictatorship.

[Question] Are you yourself registered to vote?

[Answer] I haven't registered, but I will.

[Question] You say that the PC decided to register to bring about an understanding among the opposition. Don't you think that exactly the same thing would happen with this question of the no vote?

[Answer] We feel that this is not the fundamental issue today.

[Question] For you it isn't, but for the rest it is.

[Answer] It is true that for some sectors the issue of the yes and no vote is of prime importance. Nevertheless, for the people who are for the "no rupturista" [no vote to break with the current system] (the four United Left parties that are in favor of a no vote), this is not the essential problem, as they themselves have said.

[Question] Let's assume that the no vote wins and your party is not part of the triumph. What will your attitude be, since you would be losers?

[Answer] We can't tell today, because we have not decided what we are going to do for the plebiscite itself. What we will do if the no vote wins and what we will do if the yes vote wins is an interesting item for debate, though.

[Question] What happens if the no vote wins?

[Answer] The rupturista sector of the no vote is calling for Philippines-style action. So we have to start right now preparing for Philippines-style action, which is none other than the struggle of the people. In the final accounting, we have to make this country ungovernable until we get free elections.

[Question] And what if the yes vote wins? How do you get rid of Pinochet?

[Answer] Also by making the country ungovernable, through civil disobedience, the democratic uprising of the people, a protracted general strike.

[Question] And does this include the armed struggle?

[Answer] It includes certain forms of armed struggle. I want to be very precise on this, however: we do not want a military confrontation, we do not want to become another El Salvador; we want the political and military defeat of the regime.

[Question] And who will add the military component?

[Answer] The people. And we also trust that part of the Armed Forces will on their own reach the conclusion that this regime cannot be maintained.

[Question] Getting straight to the point, would you rather see the yes vote or the no vote win in the plebiscite?

[Answer] I don't think that anyone in Chile wants the yes vote to win, except the big monopolies, the businessmen who are making fabulous profits, Angelini's group, which makes 158 million pesos a day, and some of the regime's favorites, like Cesar Antonio Santis, who makes in a month what a PEM [Minimum Employment Program] worker would take 40 years to make. They are the only ones who could want the yes vote to win and the regime to be maintained.

[Question] So you would rather see the no vote win.

[Answer] What we want is to achieve democracy and put an end to this dictatorship.

1988 Development Plan Budget Announced
33480143b Bogota *EL TIEMPO* in Spanish
15 Apr 88 p 3A

[Text] The government has allocated 89.5 billion pesos to the National Rehabilitation Plan (PNR) for this year. With these funds, it is hoped that the needs of 298 municipalities can be met.

In addition, the government reformulated its policy on the Integrated Rural Development Fund (DRI). It granted greater autonomy to the territorial entities, and broadened the Fund's coverage.

The purpose of the measures, stated Maria Mercedes Cuellar de Martinez, chief of national planning, is to improve the standard of living of the rural population by boosting agricultural production and improving marketing systems.

In addition, yesterday the technical committee that will advise the study mission on the agriculture-livestock sector was officially installed.

Under the present circumstances, stated the national planning official, it is necessary to rethink the role this sector is to play in the process of economic growth.

The study mission was created to provide detailed information on the structure of the agriculture-livestock sector and to propose a plan of action to carry out official policies.

At the Wednesday session of the National Council for Economic and Social Policy (CONPES), 23 new municipalities and rural areas in 10 locations of Guajira, Cesar, and Magdalena were included in the PNR.

Geographically, they are in the Sierra Nevada de Santa Marta. A total of 313,000 inhabitants will benefit from the program.

The PNR's budget for 1988 is 45 percent larger than it was last year. The national government will contribute 72.7 billion pesos; the remaining 16.8 billion pesos will be the participating entities' own resources.

The entities whose budget allocations have increased the most are the Agrarian Bank, the Himat, the Colombian Red Cross (CRC), the SEM, and Dancoop.

The Colombian Family Welfare Institute (ICBF) has been allotted 4.5 billion pesos for the subnormal areas covered by the plan to eradicate dire poverty and for the municipalities included in the PNR.

For this year, of the 298 municipalities in the PNR, 30 will be subject to simultaneous coordination by the PNR and the DRI.

An agreement was reached to strengthen the budget of the program for 13 municipalities included in the Pladeicop, located in Nariño, Cauca, and Valle.

In another 10 areas located in Choco, the PNR will direct activities in conjunction with the Regional Autonomous Corporation of the Cauca Valley (CVC) and Codechoco.

The total value of the DRI program for 1989-1993 will be 160.09 billion pesos. The Fund will contribute 93.24 billion pesos of its own resources for cofinancing; the other 66.85 billion will be cofinanced by the municipal governments and other public and private entities, both regional and national.

The CONPES also approved a plan to obtain an external loan of US \$180 million to finance the new DRI strategy.

To launch a pilot phase of the co-financing program, this year 4.16 billion pesos will be allocated. Total investment will be 7.077 billion pesos.

Beginning on 1 January 1990, the municipalities will determine the manner and the amounts involved in their participation in the DRI.

Mrs Cuellar de Martinez reported that 32.3 billion pesos will be earmarked for the capitalization of small holdings and the stabilization of production.

For the marketing of basic foods, 14.615 billion pesos has been allotted; local roads will account for 27.64 billion pesos.

A total of 3.8 billion pesos has been allocated for the organization and training, peasant women, and school garden programs; 14.9 billion pesos will go to the construction and improvement of aqueducts and the sanitation of rural housing.

Between 1989 and 1993, the DRI intends to irrigate 26,500 hectares, organize 5,685 new committees, and hold 3,275 technical and business training events for 81,900 small farmers.

In addition, a marketing goal of 425,000 tons of foods from the peasant economy was set for the Agricultural-Livestock Marketing Institute (IDEMA) and the associations, and 51 marketing service centers are to be organized.

Moreover, 210 warehouses and 225 chain stores are to be established, and 33 million seedlings will be produced for the reforestation of micro-basins.

Finally, the DRI will supply potable water to 174,300 rural dwellings, and 3,534 kilometers of local roads will be built or improved.

Potable Water

In addition, the CONPES approved an investment of US \$450 million over the next 5 years in the program for adjustment of the potable water and basic sanitation sector, known as PAS.

Of that figure, \$150 million will be financed by foreign loans guaranteed by the national government.

In this regard, the Central Mortgage Bank was authorized to contract that loan with the World Bank.

The objective of the PAS is to expand aqueduct services from 63 to 74 percent, and sewerage services from 50 to 62 percent, between 1988 and 1992.

The PAS is part of the plan to eradicate dire poverty, and is basically carried out in the medium-sized and small cities and in rural towns.

The participating companies and the national government will be responsible for 30.3 percent of the investment; \$150 million will come from foreign credit, and \$155.3 million will be contributed by local sources.

08926

Shortages Foreseen in Government Housing Project

33480143a Cali EL PAIS in Spanish 13 Apr 88 p D6

[Text] Bogota, CIEP—One of the major objectives of the current administration, low-income housing, is on the verge of failure. Why? There are not enough resources to carry out the project the way the government originally designed it.

What has been observed so far in the dynamics of the various agents involved in carrying out this project (savings and mortgage corporations, the Territorial Credit Institute, the Central Mortgage Bank, the Urban Development Finance Fund, the National Savings Fund, the Agrarian Bank, the Housing Banks, and the Military Housing Bank) seems to confirm this assertion.

As of 1990, there will be a shortfall of 243 billion pesos in the funding needed to complete the ambitious program set forth within the social economy plan. And the figures, unfortunately, are proving to be right. According to the development plan, the government had planned to invest 633 billion pesos (in 1987 pesos) between 1987 and 1990 in housing programs for the poor.

At the time it was believed that the participating institutions would have enough resources to bring the program to a successful conclusion. But in light of these statistics, all indications are that they will not be able to.

This year the program will yield a deficit of approximately 85 billion pesos. The deficit will continue grow through the end of this administration, according to projections and studies.

Proposed Investments

According to the development plan, in the 1987-1990 term, the aforementioned entities should have a total of approximately 693 billion pesos (1987 currency) at their disposal to implement housing investment programs.

The funding should be distributed as follows: savings and mortgage corporations, 249 billion pesos; Central Mortgage Bank (BCH), 141 billion pesos; Urban Development Finance Fund, 97 billion pesos; Territorial Credit Institute (INSCREDIAL), 96 billion pesos; National Savings Fund (FNA), 63 billion pesos; Military Housing Bank, 22 billion pesos; Municipal Banks or Funds, 13 billion pesos; and the Agrarian Bank, 13 billion pesos. And for each institution, the following specific objectives have been established:

The INSCREDIAL has been assigned an important role in the execution of the human settlement program through the rehabilitation of subnormal housing and the construction of new urban residential areas. These projects will be carried out by means of self-management and community participation efforts, direct contracting, agreements signed with the municipalities, and loans extended to families.

The BCH, according to the plan, is to reinforce its activity in the execution and financing of residential plans for middle- and low-income family groups with programs such as the housing subdivision program, the terrace plan, and the renovation and recovery of major urban districts.

The Results

With regard to the results obtained in 1987, the investment program was only partially completed. The savings and mortgage corporations lent 55 billion pesos out of a planned total of 55.638 billion pesos for low-income housing (in constant pesos for that year).

INSCREDIAL invested 11.023 billion pesos in this area, 12.663 billion less than the projected 23.686 billion pesos.

Real financing by the Central Mortgage Bank, in turn, amounted to 25.831 billion (compared to a planned 37.877 billion pesos); the Urban Development Fund, 11.43 billion (10.5 billion); the National Savings Fund, 15.772 billion (15.934 billion); and the Agrarian Bank, the Housing Banks, and the Military Housing Bank, 7.5 billion, compared to an initial budget of 9.865 billion pesos.

In total, the low-income housing investment plan fell 26.944 billion pesos short of the initially projected sum of 153.5 billion pesos for 1987.

In 1988, the situation will be even more critical, and it will worsen in the following years. One reason for this is the funding crisis in the Constant-Value Savings and Loan Certificates (UPAC) system and reduced support for INSREDIAL.

For this year, the deficit in housing investment will be just 58.26 billion pesos; that is, investment will total 104.941 billion pesos, compared to the 163.201 billion scheduled in constant 1987 pesos.

According to the Colombian Institute of Savings and Housing (ICAVI), the real loans for popular housing that the system will grant will be limited to 18.75 billion pesos, as opposed to the 53.301 billion pesos estimated by the government.

INSREDIAL will invest a total of 11.54 billion pesos (17.797 billion calculated by Planning); the BCH, 32 billion (38.335 billion); the Urban Development Fund, 20 billion (27.5 billion); the FNA, 14.651 billion (15.262 billion) and the other entities mentioned, 8 billion (11.107 billion).

The figures in parentheses are the projected totals contained in the national development plan.

In total, by the end of 1988, the resources allocated for investment in the construction of low-income housing will amount to just 231.497 billion pesos, well below the 316.702 billion pesos set forth as the official objectives for 1987 and this year.

The reduction, in constant terms, is about 27 percent for the 2 years. In other words, what has actually been carried out will be just 73 percent of the figure expected by National Planning.

In view of this situation, the Federation of Real Estate Exchanges (FEDELONJAS) believes that the biggest investment crisis will affect the savings and mortgage corporations.

It was hoped that in 1987 the UPAC would obtain net deposits (without counting the monetary correction) of 26 billion pesos. In fact, it lost 6 billion pesos.

By 1988, the UPAC was expected to attract in excess of 19 billion pesos in net resources. It is far from attaining that figure, however; judging by the critical first quarter, it appears that the system will also experience a net drain this year.

Consequently, given the present conditions, it is estimated that the UPAC will only be able to lend about a third of what the government projected in its social economy plan.

It is possible, however, that the system's situation will improve thanks to the measures introduced recently. These measures include the monetary correction, which will enable the sector to attract more capital.

In the opinion of FEDELONJAS, the INSREDIAL will fall 50 percent short of what the government projected for this year, given the meager budget allocation it has been given. Whereas the plan called for 4.16 billion pesos for 1987, the government allotted it 2.26 billion pesos.

It was supposed to give INSREDIAL 5 billion pesos (1988 pesos) in 1988, but the budget contains no allocation whatsoever. It is likely, however, that the additional budget will give it another allocation, but it does not appear to be substantial (2.9 billion pesos).

The BCH has also come in below the development plan's expectations. It has also been affected by the plight of the UPAC system, especially this year. It is hoped, however, that the Salitre Plan in Bogota will keep it very close to the target figures.

The National Savings Fund and the Urban Development Finance Fund are meeting their quotas, but some loans by the Urban Fund depend on foreign credit, a difficult variable for Colombia to deal with.

In view of the difficulties that have arisen for one reason or another, and considering the additional pressure of the monetary policy and the confusion created by the reform of the tax procedures for UPAC savers, the government has taken some corrective measures. One example of such measures is the monetary correction (a 1-point increase).

Other moves included the tax measures and the strengthening of the INSREDIAL through forced investment by financial establishments.

Nevertheless, the experts at FEDELONJAS believe that the figure of 693 billion pesos, proposed by the social economy plan for housing investment, will be impossible to attain.

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Raul Castro on Role of Voluntary Labor in Daily Life
32480119a Havana *GRANMA* in Spanish 29 Feb 88 p 2
[Article by Jose A. de la Osa]

[Text] This historic moment of rectification demands additional dedication, a dedication which has been channeled and expressed to the fullest in the revitalization of volunteer work, stated Army Gen Raul Castro Ruiz. The second secretary of the Party and minister of the Revolutionary Armed Forces made this statement at the conclusion of the ceremony at which the province of Holguin was presented with the flag and certificate declaring it ready for defense in the first stage.

At the ceremony, which was held in the Maj Gen Calixto Garcia Iniguez Plaza, Raul delivered the flag and the certificate to Miguel Cano Blanco, first secretary of the Party in that province. Tens of thousands of Holguin residents witnessed the presentation of the certificate, which bears the signature of Commander in Chief Fidel Castro.

Proof of what the masses are capable of doing when they are aware of the need for such an effort, he added, is the great constructive effort on social projects. The entire nation has joined in such efforts, especially in the capital, at the urging of the Party and Fidel.

"This has served to stimulate and encourage the whole country," he went on. Raul expressed satisfaction with the resurgence of the minibrigade movement, which has been joined enthusiastically by women, men, and even children. "This is a beautiful symbol of altruism and selflessness, for which Che provided the greatest inspiration after the triumph of the Revolution, as you all know."

He indicated that this sacrifice is being undertaken by the working people, revolutionaries all, when we are capable, as Fidel has said, of appealing to the conscience, the honor, and the self-respect of men.

Rather than forcing people to meet goals and accompanying it with a great fanfare of propaganda, as sometimes happens, "which can become mere formalities or a burden to the participants," we must work to instill the conviction that no effort must be spared. We must strive to give of ourselves with love whenever possible, to join together as a single being in the great collective effort. This effort means abandoning the backwardness that resulted from more than a half-century of capitalist exploitation, amid constant hostility and the defense expenditures that the American imperialists force us to incur.

Raul stated that when he spoke of volunteer work, he was not referring to what we sometimes do without any planning and with no guarantee of the necessary materials or working tools. Sometimes this work is done under

the leadership of superficial people from all walks of life, who mobilize thousands of men and women in the country in order to fulfill objectives, and then have nothing for them to do when they arrive at the appointed place.

"I interpret volunteer work as Che originally created it, as Comrade Fidel has revived it, and as he has stated recently: If I can only do 5 hours, that's what I will do; if I can do 20, I do 20; if I can do 50, that's what I do; and if I can put in 120, then I will do so."

But it is voluntary, "and not voluntary at gunpoint or under social pressure," emphasized the second secretary of the Party. He exclaimed: "Everyone must do what he can, and do it with love!"

He indicated that above all, the work of our heroic, magnificent women has not gone unnoticed, "and we are concerned about it."

Machismo is still with us, he noted, a vestige of the past. He indicated that "we all have a little of it, some less and some more."

Next he pointed out, smiling, that "I am one of those who have overcome it quite well, with the help of Vilma and Fidel."

Going further into the question of machismo, he stated that we get home, we kick off our shoes, we ask for our slippers and a cup of coffee or a beer if there is some, and we sit down to watch television. We forget that our wife works, and also has small children, and that she is therefore a member of the trade union, of the Federation, of the Committees for the Defense of the Revolution (CDR), and is active in the ranks of the Party or the Union of Young Communists (UJC), which involves new tasks. When she gets off work, she picks up the baby at daycare, begins washing diapers, cooking.

Not to mention, he added, that if she is also a militia member because she is a revolutionary, she has to do her 40 hours a year of training. In addition, bureaucratically, we say: Here everyone works 120 hours, and women another 120 hours.

"I would like to know," asked Raul, "if anyone has sat down and added up the number of hours in a day and the number of Sundays in a year, and then subtracted the monthly Sunday for Defense, not counting the Red Sunday of the October Revolution and the National Sunday of Defense closest to 2 December."

"Not like that!" he emphasized. He stated that volunteer work must be well organized. "Everything can be done well, including respecting the people's sacred time and their right to rest," he argued.

Raul went on to say that if in addition to all that, our female comrades come to their blocks and the Federation blocks "have just one little extra task for them," and after they finish that the CDR comes along and gives them another, how many people give voluntary tasks here? How many organizations? Who adds it all up, who puts two and two together? Who is responsible?

"To me it is clear," he concluded. "Our Party and all our leaders at all levels are responsible for whether volunteer work is well or poorly organized, without coercion."

The minister mentioned the need to acknowledge the extra work hours put in by workers and cadres on their regular jobs, and in this regard, he cited the example of the officers who serve at the headquarters of the Ministry of the Armed Forces. Last year they put in 361,230 hours of overtime, not counting the time spent on inspections, exercises, maneuvers, and other activities.

With regard to this situation, he criticized a political section chief in a unit who, without consulting anyone or taking into consideration the opinion of his chief, told all the party nuclei that they had to do 120 hours of volunteer work on other tasks. He did not consider the important work of that unit and the additional effort its members usually make on their jobs.

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CEATM Figures for 1987 32480119b Havana *GRANMA* in Spanish 1 Mar 88 p 2

[Article by Jose M. Norniella]

[Text] Material consumption fell by 0.1 centavo per peso of gross production with respect to 1986, thus reversing the upward trend that had been noted. This information was reported at the State Committee for Technical Material Supply (CEATM), which has been meeting since yesterday to analyze its achievements in 1987.

Despite this accomplishment, material consumption is still higher than the 1985 level by more than 5 centavos. It was also reported that at the close of the year, 961 enterprises throughout the country account for 70 percent of national consumption. Programs were implemented to control the use of materials in their production and services process, which is why the situation has turned around.

The Leadership Council, which will conclude its meeting today, was chaired in its first working session by Maj Gen Senen Casas, alternate member of the Politburo; Sonia Rodriguez, minister-chairman of the CEATM and member of the Central Committee; Rene Lara, secretary general of the National Trade Union of Commerce and Restaurant Workers; and other party and CEATM leaders.

The work of the CEATM in 1987 was characterized by high tension with respect to the guarantee of economic activities, given the international financial situation. The main problem was the lack of hard currency, which is needed to purchase the material resources required for our production process. Purchases made in the capitalist area amount to less than 15 percent of the total, but these products cannot be found on other markets at present.

The plan for wholesale goods distribution (supply of enterprises) was fulfilled at a rate of 88 percent. This means that the goods distributed amounted to 234.2 million pesos less than planned, 418.2 million less than in 1986. As for idle inventories, the CEATM spent 420 million pesos on purchases of products of this type from national enterprises, mostly spare parts without usage value that were used for raw material recycling.

With regard to the recycling of raw materials, the report states that the delivery plan was 92-percent fulfilled. Steel scrap and paper, cardboard, textile, and plastic waste were below their quotas.

Thanks to the introduction of shelving, loading equipment, and technical-organizational methods, the useful capacity of CEATM warehouses was expanded by 35,217 cubic meters. This expansion is equivalent to the construction of three new warehouses, which would have cost 1 million pesos.

In the past year, the CEATM has made a major effort to boost the efficiency of technical-material supply management through a more consistent application of the policy of supplying and not selling. As a result, it was necessary to reinforce internal control of the technical-material supply system to ensure the material consumption of the different sectors and other economic programs.

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Poor Export Performance for 1987 32480138 Havana *TRABAJADORES* in Spanish 12 Mar 88 p 3

[Summary] MINIL [Ministry for Light Industry] exports in 1987 were 46 percent under plan largely because of competition from other countries and problems with quality and design. Affected products for export to capitalist countries included aluminum, ceramics, detergents, leather goods, perfumes, and cosmetics. For January 1988, only 24 percent of the export plan was met, due to transportation, quality, and marketing problems.

New Dock for Oil Tankers 32480140 Havana *TRABAJADORES* in Spanish 11 Apr 88 p 12

[Summary] A dock for oil tankers is being built near the Hermanos Diaz oil refinery in Santiago de Cuba. The dock is 417 meters long and is expected to load and unload ships containing 1,000 to 30,000 tons of oil

quickly and efficiently. Construction was begun in 1985 with the help of the USSR at a cost of 9.6 million pesos. Expected date of completion is 26 July 1988.

New Device To Measure Sugar Quality
32480139 Havana *TRABAJADORES* in Spanish
18 Mar 88 p 10

[Summary] The Center for the Development of Scientific Equipment and Instruments [CEDEIC] of the Cuban Academy of Sciences has built an automatic digital polarimeter which is hooked up to a CID-0553 microcomputer. It will be used to measure sucrose. Similar equipment is worth approximately \$15,000 on the international market.

Minibrigade Workers To Visit Socialist Countries
32480132 Havana *TRABAJADORES* in Spanish
19 Mar 88 p 1

[Summary] Fidel Castro has awarded 30 minibrigade workers 2 week trips to socialist countries in recognition of their work. The first group will leave for the German Democratic Republic on 9 May and the second group will leave for the Soviet Union and Bulgaria on 6 June.

FMC Plenum on Women's Image in Media, Other Issues
32480119d Havana *GRANMA* in Spanish
5 Mar 88 pp 1, 2

[Article by Gladys Hernandez]

[Excerpt] The social research and studies reported at the 6th Plenum of the Federation of Cuban Women (FMC) National Committee, headed by its chairman Vilma Espin (member of the Politburo), point to new directions in the FMC's work.

Special attention and recognition were given to the study titled "The Family in Cuba," by Patricia Ares of the University of Havana. Her team studied 300 families to discover why outdated values still persist in the home, and to delve into the causes of this persistence.

Other studies deal with the equality of women, the classification of women's jobs at the Ariguanabo and Celia Sanchez Manduley textile plants, and the image of women in the mass media. There was also joint research with other countries, such as the study investigating the needle industry that was conducted in conjunction with institutions from the Dominican Republic and Puerto Rico.

Vilma explained the importance the FMC attributes to this research, both domestic studies and those comparing our situation with that of other nations in the Americas, which reveal our accomplishments. She emphasized the fact that the researchers come from a variety of organizations.

Yolanda Ferrer, alternate member of the Politburo and a member of the FMC National Secretariat, pointed out that each of these studies is a blueprint for increasing awareness of the problems of inequality. She added that at this stage in its work, the FMC is already carrying the message directly to the individual location, where specific problems are dealt with.

In another part of her speech, Vilma mentioned the need to conduct studies of the clothing industry. At the beginning of the debate, special attention was given to possibilities for incorporating more women into local industries, which are necessary for the population and also major sources of foreign exchange.

The FMC chairman went into more detail about the potential for using various materials that are found in abundance in the mountainous regions to make fabric and craft items, including furniture. One of these materials is guaniquique, a fiber known in the eastern provinces and in Pinar del Rio. It is used to make the baskets in which coffee beans are gathered.

At another point during the National Committee Plenum, which was held in the theater of the Ministry of the Interior (MININT), Vilma Espin presented vanguard awards to the 14 provinces that have earned that distinction. Dora Carcano, member of the Central Committee and secretary general of the FMC, explained that although three provinces were criticized, the results could be described as good during this difficult period of work.

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Night Watchman Program Resulting in Less Late Night Crime
32480119c Havana *GRANMA* in Spanish 4 Mar 88 p 2

[Article by Diana Sosa]

[Text] In most parts of the country where night watchmen are on duty, criminal activity has declined during the hours of the popular guard, explained Antonio Martinez in an interview with GRANMA. Martinez is a member of the National Executive Secretariat of the Committees for the Defense of the Revolution (CDR).

Martinez recalled that in anticipation of the 3rd CDR Congress, a study of the CDR guard situation was carried out. The system of night watchmen was implemented on an experimental basis on the second shift of this guard in 16 zones of Havana.

The results of this pilot study were submitted to the National Executive Secretariat of the organization. With the approval of the Party leadership, it was decided to expand the system throughout the country. For this

purpose, in conjunction with the General Office of the National Revolutionary Police, the CDRs drew up a work schedule covering the period between January and October of last year.

"During that time, the system was expanded," stated Martinez, "and at present it is operational in 102 municipalities and 5,270 zones. A total of 12,890 night watchmen are participating. Throughout the process, three surveys have been conducted. They revealed widespread support and approval by the public, and showed that the application of this system is contributing to the elimination of antisocial activity. It is also ensuring greater security and tranquility in the community."

The reorganization of the CDR guard in the areas with night watchmen between 2200 and 0100 hours has resulted in greater effectiveness and efficiency. Nonetheless, inspections revealed that three out of every ten CDRs visited had no guard on duty, which means that in some places there are problems that require more control.

The secretary in charge of the guard program stated that a new monitoring system has been implemented in order to determine whether people are doing their guard duty. The system is based on physical inspections by superior entities. In addition, he reported that the objectives and percentages that did not give a clear idea of the actual situation have been eliminated.

Martinez discussed the new guard system that has begun in Holguin and is being implemented in rural areas throughout the country. It consists of mounted patrols by CDR members who cover the mountain areas every night. This effort, in coordination with the National Revolutionary Police, has yielded positive results. It has made guard duty more efficient, given the long distances from one point to another.

Regarding the work being done in coastal areas, Martinez indicated that a study has been underway with a view to improving and reinforcing efforts in these territories. The concept of limiting the "Look to the Sea" patrols to certain groups or places has been changed, and their range is being expanded.

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Best Drivers To Receive New Equipment
32480137 Havana *TRABAJADORES* in Spanish
11 Apr 88 p 3

[Summary] Alfredo Suarez, secretary general of the National Union of Transportation Workers, stated that new equipment should be awarded to drivers according to seniority and work history. Suarez explained that the fourth congress of the union, to be held in September, will evaluate the results of using new methods of making awards. He pointed out that the same methods should be used to fill new positions, so that benefits go to the best workers.

Newspaper Delivery Delays, Poor Sales Noted
FL2105141588 Havana Television Service in Spanish
0000 GMT 21 May 88

[Text] Newsstands responded to the people's need to obtain daily publications promptly. Not all readers can be informed of the news as fast as it is expected. Havana Province has 74 newsstands in 19 municipalities. They very rarely receive the daily press before 0800 when the demand is at its peak.

[Begin recording] [Unidentified speaker] Newspaper deliveries are very disorganized. They can be delivered as early as 0600 or as late as 1100. When the paper gets here at 0600 it is sold out but when it arrives at or after 0800, it is hard to sell it.

[Second speaker] Sometimes it arrives at 1100, 1300, 1000. It is not delivered at a set time.

[Third speaker] It has been getting here late. I don't know what the problem is.

[Reporter] How does it affect you when the paper is delivered late?

[Fourth speaker] You know how news are. When the newspaper arrives after 1200, news is no longer new, it is old news. People are no longer interested in the press after 1200 when they have already listened to Radio Reloj and the morning newscast. [end recording]

Newsstands also sell scientific, cultural, and economic magazines, pamphlets or magazines dealing with current affairs or other topics that can increase the cultural level and update us on any new finding. However, many publications are left untouched. Is it that we do not have the eagerness to read? Are we not interested in learning what surrounds us, or is it that their contents is of little interest?

[Begin recording] [Speaker] FINANZAS is sold more slowly. This also happens with some technical magazines, with the exception of JUVENTUD TECNICA which is sold well, but other technical magazines are sold at a slow pace.

[Reporter] What do you think should be done with the publications you have here unsold?

[Speaker] I believe they should mark them down or pull them off. SILUETAS costs 3.20 [currency not specified] but people say patterns cannot be adapted here, so very few are sold. Most of them are left unsold and have to be returned. MAGASIN is too expensive. When people come to buy MAGASIN, I hand it to them, they give me 40 centavos, when I return 10 centavos and they realize it costs 30, they return it because it is too expensive. [end recording]

Balaguer Issues Statement on Accord With IMF, World Bank

32480115a Santo Domingo LISTIN DIARIO in Spanish 24 Apr 88 pp 1, 16

[Article by Maximo Manuel Perez]

[Text] Jagual, San Pedro de Macoris—President Joaquin Balaguer announced yesterday that the government will implement a plan in the next few days to solve the country's monetary crisis. The plan includes agreements that have been signed with the International Monetary Fund and the World Bank.

At the same time, the chief executive stated that this plan will cover the Dominican Electricity Corporation (CDE), where measures will be adopted to improve service, subject to an adjustment of the rate charged to its customers.

Balaguer explained that the plan has been made possible by personal contacts by him, "not through the Central Bank or anyone else," with high-ranking officials of the International Monetary Fund and the World Bank.

Before making this announcement, the chief of state declared that "I would like to tell the nation that I do not view the situation with pessimism. I have faith in the country; I am confident that the crisis will be resolved satisfactorily."

Referring to the plan to be implemented, Balaguer stated that it will enable the country to reopen the doors to international financial organizations. He noted that the latter will require "some sacrifices."

"But they are indispensable sacrifices, such as higher rates for electricity, for example. These rates will be raised on the condition that improvements be made in the service and that steps be taken to ensure that the public receives service from the CDE that is acceptable to all," he added.

He also said that "certain measures will be adopted to correct the deficits in the decentralized public sector."

Balaguer pointed out that the plan differs fundamentally from the one adopted in the 1984-1985 period, because the adjustments will be smaller. He confessed, however, that "on some points the plans coincide."

"It is different, above all, in that now there will be a different administration of state resources," he explained, "and the sacrifices imposed on the country will be much smaller than those required on that occasion."

He stated that for now, "this is all I can announce, but in the next few days these measures will be made public, and the plan will begin to yield benefits for the entire nation."

Balaguer discussed the need for this plan, pointing to the crisis that now grips the Dominican Electricity Corporation and other autonomous government institutions.

In this regard, he noted that the solution to the electricity problem "will demand extraordinary outlays, tremendous sacrifices for the government."

He went on to say that "we also have the problem of the other state enterprises that have deficits, especially Dominican Mills, the State Sugar Council, and other institutions in the decentralized public sector."

"These situations," he indicated, "will require major sacrifices, and this is not the time to ask for pay raises."

In his opinion, "Dominicans must be aware that these are difficult times, difficult for everyone, not just the state, but for all Dominicans."

08926

Analysis of APRA, FREDEMO, IU Chances in 1990 Elections

33480123 *Lima DEBATE in Spanish Vol X, No 49*
Mar-Apr 88 pp 8-16

[Three-part article under overall rubric "Road to 1990": "APRA: the Indifferent Future," by Luis Bustamante Belaunde; "IU: Does It Know What It Wants?", by Mauricio Mulder; "FREDEMO and Its Chances," by Ricardo Vergara]

[Text] The 1990 elections are in sight. Although they will not be held for 2 years, they have unquestionably already begun concerning the public and the political groups intending to participate in them. It is not bad that this should be so. It is preferable for the discussion of public affairs to take place over a period of time, and not in a hasty manner.

In this issue, DEBATE has three contributions to the subject: three analytical articles, a poll, and two interviews. The poll depicts the next president's ideal profile, specifying what the people like. In the analytical articles, three distinguished observers of Peruvian politics reflect on the chances of the Democratic Front [FREDEMO], APRA [American Popular Revolutionary Alliance], and United Left [IU].

APRA: the Indifferent Future

The evil-minded, who have numbered many recently, particularly since someone claimed that one cannot be naive in politics, explain that, in principle, there are three possible ways of remaining in power: reelection, extension, and, as a last resort, electoral fraud.

This coming May (if the election timetable used is followed) there will be an irrevocable dispelling of the illusions about reelection that have been expressed, oddly, among some of the Aprista ranks for about the last year and a half. Those who, out of arrogance, adulation, or mere nervousness, at one time fostered such fantasies, will find at that time that these pretensions have vanished by virtue of Section 1, Article 204, of the Constitution, which sanctions the impediment imposed on a citizen who has been in office within the 2 years preceding the election and who wishes to run for the presidency of the republic; that is, about May 1988. By then, no constitutional amendments of any kind will be possible or would be effective. The constitutional disqualification of the aforementioned citizen will have taken effect automatically.

The extension of the term is a non-existent and unthinkable legal expedient in any respected constitutional system. Hence, its mere proposal would represent an infraction of the Constitution subject at any time to the procedure stipulated in Article 183 thereof.

Electoral fraud, by its very nature, is something that might be attempted, to a greater or lesser extent, in an electoral system such as ours, replete with imperfections and limitations. Therefore, the best prevention lies in the people's conscience and in the firmness with which the different political forces can express in advance an unconditional rejection of its mere possibility, expose any threat of it, and inveigh against any attempt to perpetrate it.

Hence, APRA must regard the topic of the presidential succession in the Constitution seriously; although it is currently in a state of what someone would probably call "historical" vexation. As everyone claims and no one denies, the party's president (who is, simultaneously, head of state) is confronting one who, having been his prime minister, his second vice president, and, now, president of the Lower Chamber, has thus far appeared as the strongest contender for that party's presidential candidacy, following his election as its next secretary general.

Unquestionably a sad fate, that of APRA. So many years spent in coming to power (to "full" power, because on more than one occasion before 1985 it had managed to hold it in more or less sizable portions), and now to feel it escaping, like water between the joints of hands united, perhaps with firmness and discipline, but not always with conviction or solidarity.

Two merits cannot be disregarded in President Garcia's assets, although they relate more to the execution of his candidacy than to the exercise of his office: having achieved the position of secretary general of his party at the right time, and having managed to make his colleagues accept (willingly or unwillingly) the fact that APRA's electoral victory was due to him personally more than to the party *per se*.

This may possibly be why he attaches so much importance to the matter of the secretary general's office, and even more so when it might be held by the only person in the party itself who has thus far been capable of saying "no" to him; one who, in his case personally, has negated the effectiveness of a discipline holding that resignations were not accepted, and who was later elected president of a chamber without the approval of the highest party authority.

It is obvious that the pretender to the secretary general's office and the subsequent presidential candidacy may be a halfway successful imitator of Garcia, from the standpoint of the timeliness of that first pretension. But he seems to be quite far removed with respect to his personal contribution to an electoral victory that APRA has persistently proven not to be in a position to attain with its forces alone.

But, unfortunately for him, this is not the presumable candidate's main weakness. His pretensions will be hurt essentially by what he did and what he failed to do

Regardless of who the candidate is, for whom would you vote if the presidential elections were held tomorrow, and APRA, IU, and the Front were running?

Responses	Total	Socioeconomic Level				Sex		
		%	A	B	C	D	Men	Women
		%	%	%	%	%	%	%
APRA	26	8	21	29	32	23	23	28
United Left	29	16	21	28	43	33	33	24
Democratic Front	23	63	37	13	10	22	22	25
Blank	11	6	10	16	5	10	10	12
Doesn't specify/ no answer	11	7	11	14	10	12	12	11
Total: 100%	519	47	141	211	120	267	252	

Source: Opinion Report of APOYO, S.A. (March 1988)

For whom would you vote if the candidates were....?

Responses	Total	Socioeconomic Level				Sex		
		%	A	B	C	D	Men	Women
		%	%	%	%	%	%	%
Luis Alva Castro	22	11	21	22	28	20	20	24
Alfonso Barrantes	36	16	32	37	45	43	43	29
Mario Vargas Llosa	25	58	34	19	15	23	23	28
Blank	8	7	4	13	4	5	5	12
Doesn't specify/ no answer	9	8	8	9	9	9	9	8
Total: 100%	519	47	141	211	120	267	252	

Source: Opinion Report of APOYO, S.A. (March 1988)

when he was in the government charged with the immense responsibilities of a prime minister. Although some might try to make of the irresponsibility a successful political style in our environment, a candidate such as he cannot feel in a position to disassociate himself from the crucial responsibility incumbent on him at the outset and during the first administration of an economic policy that has led the country to the situation in which it finds itself. President Garcia was aware of this, and perhaps for this reason attempted to force the then prime minister and resigning minister of economy and finance to remain in his positions (and he was unable to achieve this).

All this caused the independents, who were without any doubt the decisive factor in Garcia's victory, to feel increasingly left out of an electoral gamble which, day by day, they consider definitely lost. These independents certainly must not feel in any way urged to repeat that wager in favor of APRA, much less if it is aimed at bolstering a candidacy such as that of the presumed

interested party, whose responsibility in the process of their frustration and disillusionment is absolutely unconcealable.

Similarly, the presence of that likely candidate in the government began for APRA a phase in which the party members started experiencing an indefinable sensation of bewilderment: The power, which had cost so much effort and sacrifice to gain (although more for some than for others) was not being exercised according to the doctrine in which they had always believed. On the contrary, the policies were devised and the decisions made not only by new arrivals but, primarily, based on strange, alien criteria, more closely resembling what a different brand of government had done than what the APRA founder had said and written. It was clear that there was not much similarity between the perpetual leader and the current one. Nevertheless, they owed the electoral victory to the latter. Although discipline had been a binding rule in the party, something very serious for everyone began happening: the party identity was being lost. This sensation was gradually becoming an indisputable observation; to the point where the Aprista

party seems also to have lost the sense of its place in the ideopolitical space. And to many members of that Aprista party, the responsibility for this is not far removed from the presumed candidate either.

Finally, it would have to be said that this same likely candidate shares with Garcia the dubious privilege of having helped to erode the democratic institutionality, because of some intimate personal resentment, the origin of which is by no means known, although within the grasp of common mortal imagination, and the consequences of which we (not only Apristas but all Peruvians) shall have to pay, and have already begun doing so, in one way or another.

In any event, this conflict (who knows whether as a cause or as an effect?) prompts one to assume that the electoral card that President Garcia is holding for APRA in the future (who knows whether inside or outside?) consists of backing the candidacy of Alfonso Barrantes Lingan. After all, they cannot go without recognizing each other, and, to some extent, reflecting so much effort for thinly disguised agreement, and so many months of hidden joint government.

As we said, a sad fate, that of APRA, feeling the power escape through its hands. No doubt, a sad fate, having to admit now, "again," that its only electoral chances are to be found outside the party once more.

IU: Does It Know What It Wants?

To some of us, the famous polls have no credibility. Some of them are totally contradictory and some are not reliable. But, at any rate, a general overview of them enables us to be sure of certain significant opinions and elements that are not at all to be underestimated. And, at least for some time, there has appeared in them an expectant IU, with a comfortable place in the citizens' preferences.

But, of course, we must take into account certain factors that will enable us to infer what is meant when one speaks of the IU, and what type of reaction there is in this conglomerate to the electoral expectations that it has generated.

Barrantes

Although it is painful for many, the most important element to be considered in this situation is named Alfonso Barrantes. The Cajamarca native has personified and identified IU since its founding, and was its number-one man in four electoral processes, one of which meant winning him the Lima mayoral office. Despite his refusal to preside over it, Barrantes still embodies that typical, traditional image of the alternative politician. He knows it and, like every politician of this type, claims to the four winds that he has no presidential aspirations. But, obviously, not only has he not withdrawn from politics, but he has already formed

a faction of his own, and is trying, albeit without much enthusiasm, to assure himself a seat on the multicolor IU Board of Directors (National Steering Committee [CDN]).

In this connection, the ploy of the "IU Socialists" could trigger unpredictable consequences. One thing does seem certain: this group will launch the Cajamarca for the presidency of the republic in 1990, and it is not a question of state whether this candidacy will have the support of the CDN members and the other parties, confident as it is in the preponderant weight of his personality.

Like every traditional politician, Barrantes is also the target of the most varied attacks from inside and outside of what might be simplistically described as his political movement. He knows that, in politics, it is better that they speak badly of one than that they ignore him. Therefore, Javier Diez Canseco and Carlos Malpica can brag of being the most conspicuous spokesmen for the Barrantes candidacy; because of all the efforts they have expended to maintain his image and to strengthen it, prompting the media to concern themselves with his figure despite the former mayor's almost monastic cloistering.

Nevertheless, all predictions succumb to mere speculation, because the most varied results could be accrued during the next few months, during which the first IU congress is being readied. There are some who claim that its convening will mark with a gold stamp the final unification of the member parties. And others, conversely, are already betting their shirts on its total disintegration. The arguments put forth in favor of both positions are worthy of consideration; hence, it is not feasible to venture now taking sides in matters associated with astrologers involved with politicians.

On the other hand, we would do well to establish a couple of notions. IU includes several political parties, but, in fact, when discussing parties-parties, the situation could be confined to only three: The Communist Party of Peru-Red Fatherland, which is like saying UNIR [Union of the Revolutionary Left], the Mariateguist Unified Party [PUM], and the Peruvian Communist Party (U). The "independents" are Mr Pease and his entourage, as well as one congressman or another. PSR [Revolutionary Socialist Party] has cadres, but lacks members. PCR [Revolutionary Communist Party] has even fewer cadres. FOCEP [Student-Peasant-Worker Popular Front] has taken a rest. The others, Trotskyites, ex-Albanians, ex-MIR [Movement of the Revolutionary Left], who are not integrated, and Castro Lavarello's FLN [National Liberation Front] are some of the asteroids surrounding the planet. There is nothing more.

If we look at the analysis of Sendero, they are all alike, and the only difference would be in the Jacobin language that is used at times by Diez Canseco to distinguish

himself from Dammert or the PCP [Peruvian Communist Party] revisionists. When the matter is viewed in the strict sense, they are not far from right because, obviously, the essential differences, the ones which determine concrete platforms, have been postponed sine die. What is certain is that the three parties cited are the ones that will dominate the congress, even with the famous membership card drive completed; and it will be among them that the front's political future will be decided. The three might afford to exist on their own; the others cannot.

The Procession Inside

So, what is brewing among these groups is the key. Red Fatherland is attempting to regain ground, after the extreme defection of the faction called Bolshevik. The blow was severe, but the Brena, Ludovici, and Moreno group controls the top echelons of the affiliated organizations, and can still make shows of force with unified marches and strikes, as well as with the control of the weak Peruvian Students Federation [FEP]. PUM has problems inherent in an organization that is the combination of various factions used to being dissidents, but the weighty problems lie in embarrassing them; because this is a mere personal, bourgeois struggle to hold the leading positions. We must not forget that PUM has monopolized the best of that leftist generation of the 1970's, with acknowledged political capacity and an unconcealable petit-bourgeois flaw. And the petite bourgeoisie likes to appear in the newspapers.

PCP is also concealing some tremors, which were quite obvious on the occasion of its congress last year, at which Jacobins, bordering on the childish, came to occupy several Central Committee positions, eliminating figures such as Gustavo Espinoza, once Jorge del Prado's favorite son. This has caused the real control over PCP decisions to go into far more anonymous, but at the same time more interesting hands; because the variants resulting from an analysis of the subversive phenomenon (and, specifically, MRTA [Tupac Amaru Revolutionary Movement], of which some youth delegates claimed to be a legal branch), might surprise more than one observer.

And What About Sendero?

But all of them are unified by their action against the government, and by being put in the same bag by PCP-Sendero. Clearly, the reactions to this party in arms, within IU, are the most varied. They range from Del Prado's eye for an eye to the mere dissent expressed by Diez Canseco. But they all know that coexistence with Sendero would prove impossible for them, now and forever; much less a political accord. IU's public cadres are potential victims of some annihilation commando group, and those working with the rank and file have on more than one occasion experienced the "overwhelming" argument of Abimael's followers.

But what many members of IU, especially the rank and file, question is the reason for everything that they are doing. Why are we participating? Just to win elections? When will the conditions for making a revolution be present? Shall we be content that our leaders continue being deputies, or aspire to be ministers some day? What do the Armed Forces think of us? What do we do if we win, and there is a coup? They are questions that this left, the largest in Latin America and, proportionately, one of the largest in the "Western" world, has been asking itself since the time of Malpica and his 17 percent in 1967. And events have proved that the most varied responses are possible.

FREDEMO and Its Chances

After the electoral defeat of the Popular Action [AP] and Popular Christian [PPC] Parties in the 1985 presidential elections, many analysts and politicians made the mistaken diagnosis that this was a final defeat. According to this rationale, the electorate had taken a position selecting the left as a place for political arrival and installation; a crass error that would become evident at the time of the bank nationalization. One of the two reasons that Alan Garcia's landslide victory occurred was the flow of right-wing votes toward APRA; a possibility that they considered the lesser evil. The second reason was United Left's political incoherence. The flow of right-wing votes returned resoundingly during the bank crisis. The leftist votes continue to form a broad frontier, identified bombastically with "progressive" causes, and fluctuating between disenchantment with APRA and insecurity regarding IU.

If we dwell on the analysis of the right-wing vote for APRA, we shall find the explanation for the birth of FREDEMO [Democratic Front]. In fact, at the end of the last government, the liberal right's economic and political deterioration was total. Alva Orlandini's populist candidacy did not represent the desire to continue in the government, but rather the third try for survival of a prior political identity. The Popular Action Party existed, no matter that the popular appeal had been lost; but Alva proved that all was lost except the illusion of counting on the party itself.

The Popular Christian Party, situated in the AP right, had better luck than the hapless populists: 11.9 percent, compared with 7.3 percent of the total vote. Nevertheless, this meager result only helped it to elect its most virulently anti-Aprista allies: Chirinos Soto, Diez Canseco, and Townsend; all of them ex-Apristas, incidentally. But they did not represent a government option either and, in fact, were the refuge for the most intransigent conservative votes.

Hence, there was no government option in the right for 1985. There were options for political-partisan survival: more political with PPC, and more partisan with AP. But

neither of the two candidates had the ability to win; perhaps because, during the previous term, an immense doubt had been created among the voters about their ability to govern.

Under these circumstances, there were in the electoral process two candidates with realistic chances of winning: Alan Garcia and Alfonso Barrantes: APRA and COMMUNISM, thusly, in capital letters. And the right-wing voters, who had become aware of the impossibility of winning, voted for APRA, not to win, but so as not to lose. That is the real reason that, during the demonstrations against nationalization, they protested irately against the deception. For, in fact, they had not voted for change, but rather against United Left.

The experience of last year, when the Liberty Movement invaded, proved two things to them: first, that their forces were not so meager as the electoral setback had shown; and, second, that the situation in Peru was not such that the economic and political interests could be entrusted to professional defenders. If there is a desire to be well defended, it is better to have one's own lawyers. From this observation and the fear of their own weakness the willingness to join the front was created. There are still intransigents, but now they are united. It remains to be seen whether this is the correct course of action, and whether they will have the necessary forces to traverse it.

To answer these questions, one must study two main points: the front's social and program base, and the electoral strategies inside the established electoral machinery.

The Front's Social and Program Base

To win the presidential elections requires constructing an ideological proposal capable of rebuilding the collective images of the different social sectors, from the standpoint of giving them an organic form, a plan of action, and a path to pursue, as well as embodying those images in a team of individuals to be delegated by the executive body. It is necessary to achieve an impetus for an ideological process whereby people will come to think that their interest coincides with that of the politicians, especially that of the presidential candidate. And, although this usually ends in a great disappointment, there is no other way of succeeding.

Now then, this ideological process cannot be constructed by the mere power of propaganda broadcasting, although that obviously helps. The success of propaganda depends more on the quality of the product than on the advertiser's imagination. If this were not the case, success would always be guaranteed for the wealthiest candidate. But that is not so.

The quality of the product depends on the perception that the voter has of the clarity with which he is represented; and this perception depends on several factors,

including one that is most important: the voter's objective interest. The other factors depend on the ability that exists to clearly delineate these interests and the interests that the candidate, in fact, defends.

The ideologies associated with the parties are already well known. PPC has imported, with all its parts, the Western formula of "social market capitalism," which defends the interests of the businessman in general, and of large native or foreign businessmen in particular. In AP there has never been an explicit formulation, and "Peru as a doctrine" has served as a successful umbrella for sliding from the progressive positions in 1956 to the obviously conservative ones of 1988.

The one, militating in the orthodox defense of capitalism, somewhat like Fraga Iribarne; and the other, militating in the imperfections of the popular ideology, which is the best way of making use of the dominant ideology.

AP has had better luck than PPC, among other reasons, because, in a country like Peru, it is very difficult to make the explicit defense of capitalism. It was better served by waiting to see how the popular imagination would condense, in certain problems, what had been perceived as the fundamental issue of the period; and then, with great skill, adopting a very clearcut position on that particular point, but from a rather undefined overall stance. This is how it won the 1980 presidential elections.

Liberty has introduced a different effort in the country: popular capitalism. It has converted the contradiction that exists between state and private capitalism into the contradiction of the state in general with all Peruvians. Instead of a social conflict over the surplus, it proposes to exacerbate the conflict over procedures.

Armed with these three different formulas and styles, the front must prove its scope. In the light of recent political history, there is a first one to discard: PPC. They have changed but little in Peru to make such a strictly inflexible ideological message viable, and the last municipal elections, lost by Bedoya, are associated with the most advantageous scenario that PPC, whose message in provinces was impossible to assimilate, could have wanted.

Liberty offers the best ideological potential, but it must complete the offer; because the troublesome part of the procedures could prove to be, rather, a Lima phenomenon. To many Peruvians, and not only large-scale businessmen who are, in fact, protected by the state, the successful reproduction of their activities depends on the state's action. But it is not only they, for this is also required by small- and medium-sized businessmen who cannot rely on their own forces. All of them know that the state's weakness is associated with the strength of a few large private groups and that, therefore, they must make a distinction between dislike for procedure and dismantling of the state.

When the matter is stated thusly, the Popular Action "ideology" has the advantage of being able to combine all schools, while seeking an element in the current situation that will part the waters. After all, there are many laborers, white-collar workers, and independent workers in small and medium-sized towns to whom the obstacle-state makes no sense. They suffer far more from the lack of a state than from its presence.

Electoral Strategy and Mechanics

An additional question is the electoral strategy, a question holding major significance under the present circumstances. Peru has a hybrid electoral system: proportional insofar as congressional elections are concerned, and run-off in the presidential elections. The former unites; the latter is more complex.

In the congressional elections, the profit from being united in FREDEMO is obvious. The multiplication of lists greatly diminishes the chances of electing congressmen. Three candidates who share the votes run the risk of being beaten, all three, by the unified IU and APRA candidacies. It is better to go on a single list and determine the internal competition through the preferential votes. The presidential election is something else, not only because there will necessarily be prior discrimination before the process then, but also because, with any of the three candidates, it would hardly be possible to win in the run-off.

And here we reach an essential issue. To win the run-off, that is, to be really elected, one must have one fundamental wild card: the possibility of attracting the vote of the third person eliminated for oneself. Whether there be an explicit understanding, or whether the person could be considered the lesser evil, without the backing of the third bloc it would be impossible to win the run-off; and this turns Popular Action's ideological orphan status into a virtue.

In fact, Bedoya and, essentially, Vargas Llosa, are the ideal candidates for the left and APRA to vote against. Neither of them could procure the support of the third contender: Bedoya, because his extremism moves him to the corner of the "prime" candidacy of undivided pro-capitalism; and Vargas Llosa, because his political introduction and the need for internal competition will maintain him as a protagonist of conservative anti-Apristism and liberal anticommunism.

Belaunde, on the other hand, comes betting on the run-off. A master of maneuvering, he refrained from turning the banks' current situation into the platform for his suicide. Cautious, he retained the formalities, and wagered that the Aprista attrition would return to him everything that had been his. The "architect" knows that if the run-off is between the right and left, it will be the center that will decide the election. And the center is APRA.

Thus, the front is headed for one of two destinations: either it chooses ideological consistency with Bedoya and Vargas Llosa, or it chooses Belaunde's tactical mobility. With the first two, it will substantiate the claim of being neither Aprista nor communist, and will unite the country against it; with Belaunde, it will arouse less internal enthusiasm, but may be able to extend its networks toward the anti-Apristas of the left or the anticommunists of APRA. Most likely they will not suffice to win, but he is the only candidate who can avoid being boxed in by the right. It is likely that the "architect" will be sufficiently clear on this, and will wait for the ebb from APRA and the polls on transfers of votes for the run-off.

This is the end of the analysis. What ultimately occurs in the run-off depends on APRA and IU. It is difficult to predict whether the right will not govern in the end, but if the adversaries do not tune up their batteries, it could happen.

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Profile of Model President in 1990 Elections 34480124 Lima DEBATE in Spanish Vol X, No 49 Mar-Apr 88 pp 18-25

[Results of Apoyo, S.A. poll taken in metropolitan Lima, February 1988]

[Text] Within 24 months, Peruvians will be electing the next president of the republic. Of the 10 million voters, one will be elected, but how many are electable? Although the Constitution grants that right to less than half the voters, because it requires their having reached age 35, our people's Peruvian political idiosyncracy is far more exclusive. As history has proven and the polls have confirmed, the person must at least be a professional and of the male sex, thereby reducing the universe of eligibles to about 100,000: in other words, 1 percent of the voters.

In reality, the presidential candidates emerge from intense battles inside the political parties, in which the candidate's control of the party apparatus usually prevails as a criterion for selection over political strategy considerations. Nevertheless, whether it be as a criterion for selection or as a positioning device, the politicians need to be well informed on the features and qualities preferred by the public. The poll taken by Apoyo, exclusively for DEBATE, is aimed precisely at devising a "profile of the ideal candidate," based on the standards determining public opinion. The results confirm some suspicions and destroy others. In any event, it is certain that they will cause more than one nervous smile among those who consider themselves candidates for the nation's most important political office.

Table 1:
Relative Importance of Qualities for Being President

Qualities	Very	Somewhat	Not
	Important	Important	Important
	%	%	%
Education	85	14	1
Age	24	37	39
Religion	22	34	44
Dress style	19	31	50
Sex	17	31	52
Social background	17	33	50
Civil status	10	32	58
Birthplace	5	19	76
Birth region	4	16	80
Race	3	11	86
Height	2	10	88
Weight	1	8	91

Features

Education: There is consensus among citizens that education is a fundamental factor in the biography of a presidential candidate, and that the desirable level is that of the university. Perhaps for this reason the candidates who have been unable to display solid academic backgrounds to their voters have not succeeded in the past. However, educational level will play more of a deterrent than a determining role in the next electoral process. It will surely limit entry into the contest to university graduates, but it will not help to decide among the most acclaimed candidates; because all of them have a professional degree.

Sex and age: The traditional demographic variables, sex and age, are described as somewhat important by those interviewed. Nevertheless, the preferences would surprise more than one man or woman. Despite the female sex's progress in a group of professions, 79 percent of the women and, of course, 93 percent of the men, would prefer that the next candidate be a man. As for age, unlike the cases in other latitudes, two out of every three persons interviewed would revert back to a young president: a point for Alva Castro, who will be 48 years old in 1990, or even for Vargas Llosa, who will be 54; and against Barrantes, who will be 62, and particularly Belaunde and Bedoya, who are already over age 70. The inclination toward young leaders among Peruvians may be associated with the youth of their population. Four out of every five voters will not have reached age 50 when they cast their votes.

Religion and civil status: Although the majority claim that religion and civil status are rather unimportant features in politics, when it is time for preferences, nine

out of every 10 are inclined in favor of a married and Catholic president. There are, however, considerable differences between middle-class men (who are less demanding in these areas) and women of the low-income sectors, for whom the married couple (we should recall FBT [Fernando Belaunde Terry] and Violeta Correa in 1980) has an enormous attraction. So, it would not do "Tio Frejolito" any harm to give up his capricious, stubborn bachelorhood. At the same time, it would behoove the Marxist Barrantes and the agnostic Vargas Llosa to avoid a religious controversy.

Race, social background, dress style: Strangely enough, dress style is considered more important by the voters than the candidate's race or social background. Most likely, the fact is that, so as not to admit their racist or classist tendencies, some individuals may have responded that the candidate's status in this regard "is all the same" to them. In any event, the majority are inclined in favor of a mestizo male, of the middle class, wearing formal clothing: points for Barrantes, whose sallow complexion, mesocratic Volkswagen, and proper tie coincide to the millimeter with the ideal candidate's description. In this regard, we must remember that, although most of the population perceives itself as middle class, in Peru that category relates to a social sector (comprised of school-teachers, taxi drivers, and public servants) whose standard of living has been harshly affected by the existing crisis.

Other features: Appearing among the less significant factors are birthplace, height, and weight. In this respect, we should note that the poll was taken in Lima. If the provinces had been included in the sample, the preferences for Lima natives would most likely have been fewer. In any case, thus far the greatest options appear to be held by someone from Cajamarca, Arequipa, and Trujillo; although, as a clear reflection of the existing centralism, all may currently be Lima residents.

Qualities

Knowledge of Peru: To be knowledgeable about the country and its problems is considered the most important quality by the majority of those interviewed. They are correct. To express well-grounded opinions and to propose solutions, it should be an essential requirement that the problems be well understood. It would be very enlightening for the electorate (as well as a journalistic feat) if the specialized press were to succeed in subjecting the candidates to a test of their knowledge on Peru and its problems.

Integrity and honesty: "Not being a liar nor a thief" comprised two of the Peruvian's most important moral precepts; after 500 years, these values persist in the collective consciousness. Together with knowledge, integrity (understood as not being a thief) and honesty (understood as not being a liar) are considered the most important qualities for being president. It should be stressed that integrity is particularly valued among the lower income strata, while honesty is more appreciated among the upper strata.

Sensitivity and justice: Social sensitivity (or the leader's identification with his people's problems) and his humanitarian spirit or spirit of justice are other qualities

highly valued by the voters, particularly among the lower income population. When combined, they attain a higher point score than integrity. In other words, it does not suffice, for example, to understand the milk industry's problem in Peru. The voters also want a leader who knows how to give a glass of milk to a poor child personally.

Other qualities: Intelligence, being hard working, political experience, and a democratic spirit are other qualities cited by some of those interviewed as important for being president. It should be noted that intelligence and a democratic spirit (also described as knowing how to listen) are mentioned more among the population in better socioeconomic circumstances. On the other hand, the low rating given to sympathy is impressive. Only one out of every 20 mention it among the three qualities most necessary for being president. It might be used by Alva Castro against Barrantes: "You may be more sympathetic, Don Alfonso, but that is no guarantee of a good government."

Attitudes

Private and state enterprises: There is no consensus on what the next government should do regarding private enterprise. Half maintain that it should be supported

Table 2:

In comparison with Alan Garcia, what should the next president's position on private enterprise be?

Responses	Total %	Socioeconomic Level			
		A %	B %	C %	D %
Would back more	49	77	55	46	33
Would control more	40	16	33	48	50
Same as now	7	6	8	4	9
Doesn't specify/ no answer	4	1	4	2	8
Total: 100%	655	83	184	227	161

In comparison with Alan Garcia, what should the next president's position on the number of state enterprises be?

Responses	Total %	Socioeconomic Level			
		A %	B %	C %	D %
To increase it	38	17	28	44	50
To reduce it	35	54	43	33	17
Same	21	27	21	17	23
Doesn't specify/ no answer	6	2	8	6	10
Total: 100%	655	83	184	227	161

Table 3:

Positions of the Next President of Peru

With regard to....	Total
	%
Foreign investment:	
Attract it more	45
Control it more	45
Same	7
No opinion	3
The foreign debt:	
Pay more	14
Pay less	31
Pay the same	47
No opinion	8
Terrorism:	
Be harder	73
Be more flexible	12
Same	7
No opinion	8
Military spending:	
Spend more	10
Spend less	56
Same	29
No opinion	5
Birth control:	
Promote it more	75
Promote it less	13
Same	10
No opinion	2

Table 4:

What will be most important in deciding your vote in the 1990 presidential elections?

Responses	Total
	%
The candidates	14
The government programs	56
The ideologies	21
Doesn't specify/no answer	9
Total: 100%	655

more than it is by the present government. A slightly smaller percentage, on the other hand, claims that it must be better controlled. The control tendency is strong among the population with lower income. We shall see whether CONFIEP [National Confederation of Private

Business Institutions] succeeds in changing these attitudes in the future. Similarly, there is no consensus regarding the number of state enterprises either. On this issue, the population is divided into three similar groups: those who believe that it must be reduced (middle and

upper socioeconomic levels), and those who would prefer that the current number be retained. These data are especially enlightening for Vargas Llosa and his followers. They will not win the popular vote by calling for a more reduced state. To the resident of a slum, the state is the paving, the medical station, the light, and water. Hence, it is understandable that he should not want a smaller, but rather a larger, or, in any case, a more efficient state.

Foreign investment and debt: The opinion is polarized concerning foreign investment. Those interviewed with higher income call for attracting it more; the middle and lower income sectors are divided; and the population with the lowest income thinks that it should be controlled more. On the other hand, in the case of the foreign debt, one notes a relative consensus. The majority believe that Peru should continue paying its foreign debt in a proportion similar to that followed by the present government.

Terrorism, population, military spending: Three issues on which there is general agreement among the population are that the next president should be harder on terrorism, spend less on military defense, and promote birth control more. Although the first two were predictable, because they coincide with the results of previous polls, the the intensity of the responses on the subject of population is impressive. Despite the many occasions when President Garcia has asked, "how many of us do we want there to be?", the public seems to think that very little has really been achieved in this area.

Presidential Intervention

As may be remembered, both General Morales Bermudez and architect Belaunde were scrupulously neutral in the electoral processes over which they were responsible

for presiding. Alan Garcia ended that practice by backing Jorge del Castillo in the last municipal elections. The presidential boost (when most of the electorate was still in favor of Alan) was decisive for the victory of the Aprista candidate, who had not come out very well in the polls up until that time. Currently, only one out of every three persons interviewed (the Aprista third?) thinks that Alan Garcia should intervene in the next elections, backing the candidate of his preference. Whether that will be the APRA [American Popular Revolutionary Alliance] candidate or another is something left for the speculation of the more suspicious analysts.

Nevertheless

Every method of social research has limitations. One of the limitations in polls of the population is that, at times, those interviewed do not answer as they think, but rather as they believe they should think. On occasion they even do so unconsciously. This is apparently what happened when the question was asked about the most important factor in the voting decision: 56 percent of the voters reply that it is government programs, 21 percent say that it is ideologies, and 19 percent claim it to be candidates. The memory of the last electoral processes would prompt one to think that the order is precisely the opposite. At least the seriousness of the crisis and the consecutive disappointments have been creating among the public a greater awareness of the need to vote for programs. Would that this were the case!

Technical Record

Poll taken by Apoyo, S.A., in Metropolitan Lima, among 655 persons selected at random using the multiphase method, in February 1988. For a confidence level of 95 percent, the results have a margin of error of approximately + or - 4 percent.

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